

Federal Court of Appeal



Cour d'appel fédérale

Date: 20230726

Docket: A-188-22

Citation: 2023 FCA 168

**CORAM: GAUTHIER J.A.
LOCKE J.A.
ROUSSEL J.A.**

BETWEEN:

ATTORNEY GENERAL OF CANADA

Appellant

and

BENJAMIN MOORE & CO.

Respondent

and

**INTELLECTUAL PROPERTY INSTITUTE
OF CANADA, CANADIAN LIFE AND
HEALTH INSURANCE ASSOCIATION
INC. AND THE INSURANCE BUREAU OF
CANADA**

Intervenors

Heard at Montréal, Quebec, on February 16, 2023.

Judgment delivered at Ottawa, Ontario, on July 26, 2023.

REASONS FOR JUDGMENT BY:

GAUTHIER J.A.

CONCURRED IN BY:

LOCKE J.A.

ROUSSEL J.A.

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REASONS FOR JUDGMENT

GAUTHIER J.A.

[1] The Commissioner of Patents refused to grant patents to Benjamin Moore & Co. (BM) in respect of its applications for Canadian Patent No. 2,695,130 (the 130 application) and Canadian Patent No. 2,695,146 (the 146 application) both relating to colour selection systems. The Commissioner refused the applications on the ground that the claims therein were directed to non-patentable subject matter and therefore non-compliant with section 2 of the *Patent Act*, R.S.C. 1985, c. P-4 (the Act). This conclusion was based solely on her determination that the essential elements of those claims, as she construed them, were those providing the solution to the practical problem disclosed in the two applications, which did not include the computer (controller) and other conventional associated components.

[2] BM appealed the Commissioner's decisions to the Federal Court pursuant to section 41 of the Act. These appeals were consolidated and heard together. The Intellectual Property Institute of Canada (IPIC) was granted leave to intervene in the consolidated appeals. This is somewhat surprising, given that the Attorney General (AG) had already conceded that the Commissioner had used the wrong test to construe the claims and agreed that the decisions should be set aside and be remitted back to the Commissioner for reconsideration. The parties even discussed the form of a consent judgment that could be proposed to the Court.

[3] Besides generally siding with BM's position in respect of the Commissioner's approach to claim construction in this case, IPIC took the debate one step further by asking the Court to adopt a revised framework to be followed by the Commissioner in assessing the patentability of computer-implemented inventions once the claims have been purposively construed, and to instruct the Commissioner to adhere to it in determining the patentability of such inventions.

[4] By the time the appeals were heard by the Federal Court, all parties agreed that it would be inappropriate for the Court to direct the Commissioner to issue the patents or to determine the subject matter patentability of the applications at issue as originally requested by BM in its notice of appeal. The only remaining remedy sought in the notice of appeal was that the matter be remitted to the Commissioner for reconsideration. The disagreement between the participants (parties and interveners) lay solely in whether the Court should issue binding instructions, and if so, what those instructions should be.

[5] The Federal Court granted the appeals (2022 FC 923, the FC Decision) on the basis that, as conceded by the AG, the Commissioner had failed to apply the proper test to determine the essential elements of the claims in these applications, following instead the approach described at section 13.05.01 (now section 12.02.01) (the version reproduced at para. 10 of the FC Decision is substantively the same as that used by the Commissioner in the decisions) of the Canadian Intellectual Property Office (CIPO)'s Manual of Patent Office Practice (MOPOP), before it was amended in response to the then-recent decision of the Federal Court in *Chouiefaty v. Canada (Attorney General)*, 2020 FC 837 (*Chouiefaty*). In *Chouiefaty*, the Federal Court set aside a decision of the Commissioner on the basis that the approach used to construe the claims in the patent application in issue, which was set out at section 13.05.02(c) of the MOPOP (now section 12.02.02(e)) was not in line with the principles of purposive construction set out in *Free World Trust v. Électro Santé Inc.*, 2000 SCC 66 (*Free World Trust*) and *Whirlpool Corp. v. Camco Inc.*, 2000 SCC 67 (*Whirlpool*).

[6] The Federal Court also noted that the Commissioner had erred by conducting a novelty analysis while determining the essential elements of the claims, contrary to *Free World Trust* and *Whirlpool*, which require claim construction to precede the novelty analysis (FC Decision at para. 36).

[7] It would seem that the reason BM was no longer asking the Federal Court to issue the patents is that this would have raised an issue as to the Court's jurisdiction in the appeal before it. The Court agreed that it was not appropriate for it to make its own determination of the patentability of the subject matter of the applications, and that the matter should be remitted to the Commissioner for reconsideration. However, the Federal Court accepted IPIC's invitation to include specific instructions in its judgment in the form of a binding test to be followed by the Commissioner in assessing the patentability of these computer-implemented inventions, and presumably others. BM and IPIC refer to this test as the "BM test", which in their view, clarifies the law in respect of computer-implemented inventions in general (FC Decision at paras. 33, 53).

[8] The test set out by the Federal Court in its judgment is as follows:

3. In her assessment of the 130 and 146 Applications, the Commissioner of Patents is instructed to:
 - a. Purposively construe the claim;
 - b. Ask whether the construed claim as a whole consists of only a mere scientific principle or abstract theorem, or whether it comprises a practical application that employs a scientific principle or abstract theorem; and
 - c. If the construed claim comprises a practical application, assess the construed claim for the remaining patentability criteria: statutory categories and judicial exclusions, as well as novelty, obviousness, and utility.

[9] Before us, the AG appeals the FC Decision. This appeal focuses solely on the test stated at paragraph 3 of the Federal Court’s judgment. BM filed a motion to dismiss the appeal on the basis that the AG was attacking the reasons for judgment rather than the judgment. Justice Rennie dismissed the motion (2022 FCA 194), stating that paragraph 3 of the Federal Court’s judgment is a specific direction akin to a declaratory judgment. This is quite different from general references to reasons in a formal judgment, which do not form part of the judgment itself. Thereafter, IPIC, the Canadian Life and Health Insurance Association Inc. (CLHIA) and the Insurance Bureau of Canada (IBC) were granted leave to intervene.

[10] As agreed by all, this case is most unusual for a variety of reasons that will be discussed later on. On the one hand, the Commissioner does not want to be held in contempt of court under a test that, in her view, is ambiguous and does not deal with all the relevant case law of our Court not referred to by the Federal Court. On the other hand, BM, who was the appellant before the Federal Court, and who appeared to be more than willing to cooperate with IPIC to seek some instructions, now seeks an expedited determination of the present appeal based on the prejudice it claims to be suffering while a test it did not even request itself is being debated.

[11] Moreover, what is being asked of this Court is essentially to give an opinion on how to construe existing Canadian case law dealing generally with subject matter patentability in order to reduce it to what purports to be a “simpler” approach for the determination of the patentability of computer-implemented inventions. Not only is this a very complex issue that has been the subject of much debate before the highest courts in the United States and Australia, but our Canadian case law dealing with computer-implemented inventions, particularly in the context of

applying judicial or statutory exclusions is not fully developed, consisting of only a few decisions. This is especially relevant, considering that most participants before us either criticized or attempted to distinguish particular decisions that are indeed relevant to the exercise, while simultaneously arguing that this Court was not being asked to depart from previous case law on the basis of the test of *Miller v. Canada (Attorney General)*, 2002 FCA 370 at paragraph 10, or to make new law.

[12] Finally, I ought to note that despite the fact that IPIC argued that it is rare that our Court or the Federal Court will deal with issues relating to patentable subject matter in cases involving computer-implemented inventions, there is currently such a case before the Federal Court (T-657-22), in which the Commissioner considered the revised MOPOP following *Choueifaty* in a Practice Notice entitled “Patentable Subject-Matter under the Patent Act” (PN 2020-04), which represents CIPO’s current practice. This case is being held in abeyance until the present appeal is finalized, as the Federal Court, in that case, would otherwise have to consider the test set out by the Federal Court in the present case.

[13] As will be explained, the Federal Court erred for various reasons in including the test set out at paragraph 3 of its judgment. I further find that it would not only be premature, but quite unwise to attempt to settle issues that have yet to be properly considered by any court in Canada, and that the participants did not adequately address before this Court. I would thus allow the appeal, but only to delete paragraph 3 of the Federal Court’s judgment reproduced above. I would also add a direction that the Commissioner re-examine these applications on an expedited basis, in light of the most current version of the MOPOP with the benefit of these reasons.

I. Background

[14] The Commissioner rendered her decisions on May 8, 2020, refusing both applications on the ground that, as mentioned, the claims were directed to non-patentable subject matter and therefore non-compliant with section 2 of the Act, as recommended by the patent appeal board. She described the two applications as follows in her two decisions: the 146 application is a “computer-implemented colour selection method” that focuses on the “the provision of appropriate colour combinations given a user’s selection of a threshold colour harmony or colour emotion value”. The 130 application is also a “computer-implemented colour selection method”, but it focuses on “providing the user with a combined colour score (e.g., colour harmony or colour emotion score) upon a user selection of at least three colours from a colour library” (*Benjamin Moore & Co. (Re)*, 2020 CACP 16 at para 4) These two decisions were rendered before the decision of the Federal Court in *Choueifaty* was issued on August 21, 2020.

[15] On November 3, 2020, CIPO issued the updated Practice Notice PN2020-04 in response to *Choueifaty*. This Practice Notice not only provided an update on CIPO’s understanding as to how *Free World Trust* and *Whirlpool* were to be applied when determining the essential elements of claims, but it was also intended to ensure that the references to the “technological solution to a technical problem” found at various chapters of the MOPOP would no longer be applied.

[16] A few days later, on November 9, 2020, BM appealed the Commissioner’s decisions to the Federal Court. Considering the only remaining issue before us, the most relevant portions of

the FC Decision are those relating to the test to be followed by CIPO. Although the Federal Court referred to IPIC's submissions that such strict guidance was necessary because of CIPO's alleged continued misapplication of the law in violation of *Free World Trust*, *Whirlpool*, *Shell Oil Co. v. Commissioner of Patents*, [1982] 2 S.C.R. 536, 142 D.L.R. (3d) 117 (*Shell Oil*), and now *Choueifaty* (FC Decision at para. 44), it never made any conclusion or finding in that respect. In addition, the Federal Court did not discuss the post-*Choueifaty* administrative case law cited by IPIC in support of that contention.

[17] The Federal Court made it clear that BM and IPIC were not asking it to choose its preferred interpretation of statutory provisions, but rather to direct CIPO "not to depart from the applicable jurisprudence" (FC Decision at para. 49). It also acknowledged that the appellant had only sought an order directing CIPO to re-examine the applications in accordance with the principles of *Free World Trust*, *Whirlpool*, and *Shell Oil*, and not to use the "Problem-Solution Approach" or the "Substance of the Invention Approach" (FC Decision at paras. 3 and 38). According to the Federal Court, the AG took no position on whether IPIC's proposed framework accurately reflected the state of the law, simply submitting that the Court should decline to direct the Commissioner to adopt the appellant's interpretation of the jurisprudence, just as it should decline to direct CIPO to apply the proposed framework (FC Decision at para. 45). At most, the AG agreed to refer the Commissioner to *Choueifaty* as guidance for reconsideration (FC Decision at para. 39).

[18] The most substantive explanation for adopting the test proposed by IPIC is found at paragraph 52 of the FC Decision. After noting that legal frameworks are questions of law within

the purview of a reviewing court, the Federal Court simply stated that the test proposed by IPIC and endorsed by the appellant is in keeping with the Supreme Court's teachings in *Free World Trust* and *Shell Oil*, and with our Court's invitation in *Amazon.com, Inc. v. Canada (Attorney General)*, 2011 FCA 328 (*Amazon*) at paragraph 68, to adapt "our understanding of the nature of the 'physicality requirement'" for patentable subject matter as technology advances. The Federal Court also noted that IPIC's test would ensure consistency in the law applied to patent applications by CIPO and the Courts, and in the treatment of computer-implemented inventions and all other types of inventions (FC Decision at para. 53).

[19] I ought to mention that, as noted by the AG, the FC Decision does not deal with or even refer to several cases the Commissioner expressly mentioned in her decisions, although she did not deem it necessary to apply them, considering her construction of the claims.

[20] I could discern no explanation either as to the usefulness of the test in light of the current practice of CIPO (the revised version of the MOPOP and PN2020-04) which, in its analysis, the Federal Court dismissed as not being relevant to the matter before it (FC Decision at para. 50). This presumably would include the relief to be granted. Moreover, in its conclusion, the Federal Court indicated that it was "directing CIPO on the proper procedure for claims construction and identifying patentable subject matter" (FC Decision at para. 54). However, the test set out at paragraph 3 of the judgment goes beyond these two elements of the patentability assessment by dictating the order in which the Commissioner should assess the other aspects of the patentability analysis (novelty, obviousness, and utility), mandated by the Act. In that respect, the Federal Court did not indicate why it could deviate from this Court's statement in *Amazon* at paragraph

38 that once purposive construction is completed, the assessment of patentable subject matter, obviousness, novelty, utility, and excluded subject matter need not follow any particular order.

II. The issues and standards of review

[21] The AG asks this Court to quash the test set out at paragraph 3 of the Federal Court's judgment, or alternatively, to amend it to reflect that the claims must be directed to "more than a bare practical application". The AG's arguments before this Court are focused on the alleged incorrectness at law of the test in question as well as its ambiguity. In the AG's submissions, if the test is upheld, Canada will become an international outlier in its approach to subject matter patentability, particularly in respect of computer-implemented inventions. In addition to generally supporting the AG's position, the new interveners (the CLHIA and IBC) raise other arguments, including that *Chouiefaty* was wrongly decided, and that the test adopted by the Federal Court would change the law on the patentability (or non patentability) of business methods in Canada, a matter they say is of vital importance to their membership.

[22] What started as a relatively simple matter, where the two parties to the statutory appeal had essentially agreed that the decisions should be remitted to CIPO for redetermination in accordance with *Chouiefaty* because the Commissioner had not properly applied the principles of purposive construction to determine the essential elements of the claims, degenerated into what could be considered a reference on subject matter patentability under section 2 of the Act, and the statutory interpretation of subsection 27(8) of the Act in general.

[23] This is why, at the beginning of the hearing, the panel asked the parties to address how this Court could generally deal with the correctness of all the issues raised by this test in the context of this particular case, as it appeared essentially to be a reference seeking a pure declaratory judgment on issues that did not form the basis of the Commissioner's decisions, given her determination of the essential elements of the claims (146 Decision at paras. 59-60; 130 Decision at paras. 60-61).

[24] In my view, the present appeal boils down to a single question:

Did the Federal Court err in setting out the test at paragraph 3 of its judgment?

[25] Though not determinative of the outcome of the present appeal, there are some issues, as will be explained under "General Observations", with respect to the propriety of the remedy granted, and the basis on which the Federal Court issued what is akin to a declaratory judgment that ought to be discussed.

[26] Obviously, the appellate standards of review set out in *Housen v. Nikolaisen*, 2002 SCC 33 (*Housen*) apply in this appeal. The Federal Court viewed the question of the proper legal test or framework to be applied as a simple question of law reviewable on the standard of correctness. Considering that there is no discussion of the basis for including this test in its judgment, it is not clear on what basis the Federal Court felt it could exercise its discretion to set a test in its judgment on the specific statutory appeal before it.

[27] Assuming that the Federal Court had, in the context of this case, the discretionary power to issue specific instructions to the Commissioner as to how she should generally carry out her

examination of patent applications involving computer-implemented inventions, this Court must nevertheless determine whether the Federal Court erred in exercising this discretion in the circumstances. This particular question is reviewable on the standard of a palpable and overriding error, unless the Federal Court made an extricable error of principle, which would be reviewable on the standard of correctness (*Hospira Healthcare Corporation v. Kennedy Institute of Rheumatology*, 2016 FCA 215 at para. 79 (*Hospira*)).

III. Analysis

[28] Our Court in *Amazon* already provided guidance in respect of many of the issues raised in this appeal. In that case, it had the benefit of a 197-paragraph decision by the Commissioner, and a very detailed analysis by the Federal Court (2010 FC 1011). Having determined that the Federal Court had erred in adopting its own purposive construction of the claims, our Court clearly did not deem it appropriate to develop the type of test that the Federal Court adopted in this case. The guidance provided by this Court in its reasons in respect of the determination of the subject matter was based on the actual elements referred to and applied by the Commissioner in refusing Amazon's application, which were also expressly addressed by the Federal Court. In my view, our Court simply could not go any further, considering the uniqueness and complexity of the facts in play and that the Commissioner had yet to construe the claims properly. Still, many statements in *Amazon* and other cases relied upon by BM and IPIC persuade me that the Federal Court erred in adopting the test it did.

[29] Given the lack of a detailed analysis in the FC Decision, the Federal Court's statement that the current version of MOPOP (as amended by PN2020-04) was irrelevant, and the lack of

consideration of all relevant case law, it appears to me that it did little more than “leapfrog” the test to our Court by including it in its judgment instead of its reasons. This exercise, which is quite different from dealing with an issue that was not necessary to determine the appeal before it in *obiter*, is inappropriate. It does not involve “judicial courage”, as IPIC argued before the Federal Court (Transcript of the Federal Court hearing of T-1340-20, Appeal Book, Vol. 1, Tab 4, p. 105).

[30] I will start my analysis with general observations regarding the propriety of the Federal Court’s adoption of a test, which was not included in BM’s notice of appeal, in a manner akin to a declaratory judgment, and without considering the applicable test for such declaratory relief. I will then consider the substance of the test included at paragraph 3 of the Federal Court’s judgment.

A. *General Observations*

[31] As noted earlier, the remedies sought by BM before the Federal Court kept evolving. In its notice of appeal, BM sought an order setting aside the Commissioner’s decisions, requiring the Commissioner to allow the applications and grant the respective patents, or declaring that the applications disclose inventions pursuant to section 2 of the Act, and alternatively, an order directing the Commissioner to reconsider the applications. However, as mentioned, at the hearing, BM abandoned the first two remedies, leaving only the order for reconsideration. In the paragraph of its memorandum dealing with the orders sought, BM requested an order directing CIPO to use the test for purposive construction set out in *Free World Trust* and *Whirlpool*, and an order directing CIPO not to use the “Problem-Solution Approach” or the “Actual Invention

Approach” (Appeal Book, Vol. 1, Tab 7, p. 229 at para. 93). At paragraph 87 of its memorandum, BM indicated that the instructions should be to follow not only *Free World Trust* and *Whirlpool* but also *Shell Oil*. Thus, even though *Shell Oil* was referred to, this again was not part of the relief sought. At the hearing, BM did “endorse” the test proposed by IPIC, in its submissions in chief, acknowledging that, in its view, it was correct at law.

[32] In concluding its oral submissions, the AG made it clear that the notice of appeal did not include a request for the adoption of an alternative framework, such as the one proposed by IPIC (Transcript of the Federal Court hearing of T-1340-20, Appeal Book, Vol. 1, Tab 4, p. 131). This clearly put BM on notice that this issue had to be addressed. In its reply, BM began by reminding the Court that IPIC was not the appellant and that its role as an intervener was only to assist the Court in understanding the issues and that despite this, most of the hearing was spent discussing IPIC’s arguments (Transcript of the Federal Court hearing of T-1340-20, Appeal Book, Vol. 1, Tab 4, p. 133). One can only agree with this statement, given the definition of “party” in the *Federal Courts Rules*, SOR/98-106. It is established that interveners cannot seek a remedy that was not sought by the parties themselves (*Tsleil-Waututh Nation v. Canada (Attorney General)*, 2017 FCA 174 at paras. 54-55; *Zak v. Canada (Attorney General)*, 2021 FCA 80 at para. 4).

[33] BM’s submissions in reply are difficult to follow insofar as the issue of the nature of the relief sought is concerned. What is clear is that at most, BM agreed that it was within the Court’s discretion to clarify the law and endorse IPIC’s framework, should it find that it accurately reflects the law. What BM did not do is seek an amendment of the remedies sought in its notice of appeal.

[34] Rule 337(c) dealing with the contents of a notice of appeal provides that a precise statement of the relief sought must be included. The same wording is used with respect to the contents of a notice of application under Rule 301(d). As mentioned in *Mahjoub v. Canada (Citizenship and Immigration)*, 2017 FCA 157 at paragraph 51, originating documents are to be construed in order to gain ““a realistic appreciation” of their “essential character” by “reading [them] holistically and practically without fastening onto matters of form” (see also *JP Morgan Asset Management (Canada) Inc. v. Canada (National Revenue)*, 2013 FCA 250 at para. 50). Nevertheless, it remains that, subject to limited exceptions, unless a request to include a particular framework for all computer-implemented inventions in the judgment is a remedy specifically sought in the notice of appeal, it should normally not be considered (*Pfizer Canada Inc. v. Teva Canada Limited*, 2016 FCA 218 at paras. 21-22; *Boubala v. Khwaja*, 2023 FC 658 at para. 27; *Hendrikx v. Canada (Public Safety)*, 2022 FC 1068 at para. 27) (I do not mean here that the Court should then grant this request). I have much doubt that the limited exceptions to this general principle could apply here, given the ambit of the test adopted. One should be careful not to empty Rule 337(c) of its meaning by expanding these limited exceptions, especially when, as mentioned by the Federal Court in this case, the AG had not addressed the correctness of the test.

[35] I also ought to mention that there is no specific provision in the *Federal Courts Act*, R.S.C., 1985, c. F-7, like sections 18.1 (powers of the Federal Courts on judicial review applications) and 52 (Federal Court of Appeal’s power on appeal) that grants the Federal Court the power to issue this kind of general instructions in the context of a statutory appeal, such as this one. However, Rule 64 applies to all proceedings and refers to the Federal Courts’ discretion to grant declaratory relief which, like any other remedies, must have been properly sought. But,

the discretion to grant such relief can only be exercised after considering the four-part test set out by the Supreme Court in *Ewert v. Canada*, 2018 SCC 30 at paragraph 81. In this case, there is no indication that the Federal Court turned its mind to this test. IPIC, relying on *Steel v. Canada (Attorney General)*, 2011 FCA 153, and *Defence Construction Canada v. Ucanu Manufacturing Corp.*, 2017 FCA 133 (*Defence Construction*), simply argued that the Federal Court's discretion was not constrained and that judicial minimalism should not be applied here.

[36] However, these two decisions refer to the practice of courts dealing only with issues raised before them, which are necessary to determine the outcome of an appeal, and normally not to address other issues in *obiter*, even when properly before them. This is what judicial minimalism means. It is worth noting that in *Defence Construction*, our Court refused to determine in *obiter* the so-called jurisprudential issue that was otherwise properly raised by the appellant because it had been the subject of only a few decisions which did not cover all the relevant aspects of the issue, and because the matter was a complex one with compelling considerations on either side.

[37] Normally, the failure to consider the four-part test applicable to the general declaratory relief granted here would be an error in principle that would justify our intervention.

[38] That said, as the panel did not raise these issues at the hearing, and thus did not provide the parties with an opportunity to respond to the Court's concerns in that respect, and because they are not necessary to dispose of the appeal, my discussion of these issues is limited to these general comments, which have no impact on the outcome of the appeal.

B. *Did the Federal Court err in setting out the test at paragraph 3 of its judgment?*

(a) *Purposive construction*

[39] The debate before the Federal Court was based on the Commissioner's failure to apply *Choueifaty* to determine the essential elements of the claims, and later as to what the Federal Court actually decided in *Choueifaty*. Still, the Court failed to provide any guidance in that regard either in its reasons or in the first step of the test it sets out. There was probably little to add to what had already been said in *Choueifaty* and *Amazon* in respect of how to purposively construe the claims. Considering that our Court is not sitting in appeal of *Choueifaty* and that the Federal Court in that case was bound by *Amazon* and the general principles of purposive construction set out by the Supreme Court, I will not say much either. However, I must note that the error of the Commissioner in *Choueifaty* and in this case was not that she considered the problem and solution as part of her general assessment of the scope of the claims based on her reading of the applications as a whole, but rather that she identified the essential elements of the claims solely on that basis.

[40] As the Federal Court so clearly put it in *Wenzel Downhole Tools Ltd. v. National-Oilwell Canada Ltd.*, 2011 FC 1323 (aff'd 2012 FCA 333) at paragraph 61:

To give a purposive construction to the claims of a patent, it seems to me that one should understand the purpose of the invention and the problem that the invention sought to address. For the most part, inventors come to their patentable inventions in order to solve a problem. What was the problem that the '630 Patent was intended to address?

[41] There is nothing ground breaking about such a statement, considering that letters patent are assimilated to a regulation as defined in subsection 2(1) of the *Interpretation Act*, R.S.C., 1985, c. I-21. It is trite law that the purpose and mischief intended to be addressed by the legislator is a relevant consideration in construing a regulation. Nevertheless, although identifying the problem and solution is relevant when construing the claims, it cannot be the sole or overarching element of the determination of their essential elements.

[42] Understanding the purpose, problem and solution may also be useful to identify to whom the patent is addressed. For example, even if the patentee in this case is a paint company, it appears (to me at least) that the monopoly claim could encompass the use of the computer-implemented system to select colours when used by artists, garden designers, furniture companies, or for organizing one's wardrobe.

[43] Purposive construction is a difficult exercise even for judges, who nowadays appear to be relying more and more often on the presumption that all elements of a claim are essential unless established otherwise by the patentee or the applicant. This has resulted in a situation which, according to some, like the authors of a recent article entitled "Protection Against Infringement of Patents in Canada" (Ronald E. Dimock et al, "Protection Against Infringement of Patents in Canada" (2021) 36 CIPR 58), may not have been the result foreseen by the Supreme Court when it rendered its decisions in *Free World Trust* and *Whirlpool*. It appears to me that if there is indeed an overuse of this presumption, it places much emphasis on the art of claim drafting with little regard, at least before the issuance of a patent, to the fact mentioned in *Amazon* that claims can be expressed in a manner that is deliberately or inadvertently deceptive (*Amazon* at para. 44).

[44] In any event, I find it a step too far to conclude that a specialized administrative decision maker like the Commissioner is refusing to follow the case law of the Federal Courts and the Supreme Court of Canada in respect of purposive construction. In my view, CIPO and the Commissioner simply did not properly understand all of the subtleties of this difficult exercise. Our Court's statement in *Amazon* at paragraph 42 that identification of "the actual invention" is relevant in the context of different aspects of the patentability assessment of the Commissioner, including patentable subject matter, could be at the core of the problem. As noted by the AG, the Commissioner did not appeal the decision in *Choueifaty*, as it did help clear up some misunderstanding in respect of purposive construction, such as the meaning of paragraph 55 of *Free World Trust* (*Choueifaty* at para. 38), and the current relevance of the Federal Court's decision in *Genencor International Inc. v. Canada (Commissioner of Patents)*, 2008 FC 608 (*Choueifaty* at paras. 34-35).

[45] I conclude on this first step of the test by noting that, as mentioned, the test does not provide any clarification as to the purposive construction exercise, instead simply stating that it must be completed. This was never in dispute.

(b) *Subject matter patentability*

[46] The relevant sections of the Act referred to in this section as well as those of the 1970 version of the Act are reproduced in the Appendix to these reasons.

[47] Patentable subject matter is addressed in two distinct steps at paragraphs 3b and c of the Federal Court's judgment. At paragraph 3b, with the use of the words "or whether", the Federal

Court creates a dichotomy between the statutory exclusions set out in subsection 27(8) of the Act on the one hand, and on the other, part of the reasoning adopted in *Shell Oil* and *Amazon* (new knowledge that needs to be practically applied) in determining whether the subject matter is patentable as an “art” within the meaning of an invention at section 2 of the Act. Then, it is only at paragraph 3c that the Commissioner should consider the statutory categories set out in section 2 of the Act (presumably those other than “art” to avoid redundancy), as well as judicial exclusions to patentable subject matter. The test appears to instruct that, only thereafter can the Commissioner consider novelty, obviousness, and utility.

[48] The first error that is apparent on the face of the test is that, as already mentioned, by dictating the order to be followed by the Commissioner, the Federal Court contradicted the statement made by our Court in *Amazon* that these patentability elements need not be considered by the Commissioner in any particular order (*Amazon* at para. 38). This is a fundamental error, considering that the Federal Court clearly stated that in adopting the test, it was simply following the binding authorities and was not making new law.

[49] The second error is in the actual order included in the test adopted by the Federal Court. Although the Federal Court meant to promote consistency, it did not explain nor seem to have considered the order in which the Commissioner currently considers inventions that do not involve computer implementation. Normally, the assessment of subject matter patentability begins with identifying the category of “invention” as defined in section 2 of the Act in which the subject matter of the patent falls.

[50] Computer-implemented invention is not a distinct category under section 2 of the Act, and depending on the nature of the invention claimed, it may fall under different categories. A manufacturing process may involve a computer. An improved refrigerator or oven may include a computerized component and a computer program to improve its working as a machine. One cannot simply assume that all computer implemented inventions fall under the category of “art”, nor can one construe this word as encompassing all other categories enumerated in section 2.

[51] It is difficult to understand why the Commissioner should look at the exclusions set out in subsection 27(8) before even examining whether the subject matter falls under the definition of an “invention” at section 2 of the Act. It may be practical for the Commissioner to do so in certain circumstances, but there is no basis for including this order in a legal test. The juxtaposition in paragraph 3b also implies a statutory interpretation of subsection 27(8) that gives no meaning to the “exclusions” therein, by simply requiring that the subject matter fall within the definition of an “art” under section 2 of the Act.

[52] Before us, IPIC and BM included in their submissions their statutory interpretation of subsection 27(8) based on the meaning of the word “mere”, but they did not point to any authority actually interpreting this particular provision of the Act. In response to a question from the panel, BM agreed that the word “mere” would be the equivalent of “as such” (this expression is used in statutory exclusions in England and has been the subject of several key decisions). In BM’s view, these statutory exclusions were meant to reflect the judicial exclusions developed in old common law cases, though BM did not discuss how said exclusions have been construed in

other common law jurisdictions, such as Australia, which have relied on those very same old common law cases.

[53] In *Amazon*, this Court referred to subsection 27(8) without attempting to construe it. It simply noted at paragraph 60 that no Canadian jurisprudence had conclusively determined that business methods could not be patentable subject matter. The fact that it also had to address what kind of practical application was required to meet the definition under section 2 of the Act cannot be understood as being based on a construction of subsection 27(8).

[54] It is thus difficult to understand how the Federal Court could say that paragraph 3b of the test it adopted did not involve any statutory interpretation (FC Decision at para. 49), simply because it was using words of subsection 27(8). The addition of the word “only” and of “or whether” imply an interpretation of subsection 27(8) and creates a dichotomy that is not based on any authority having definitely interpreted subsection 27(8).

[55] Turning now to paragraph 3c of the Federal Court’s judgment, I fail to see any real reason why the Commissioner should deal with recognized judicial exclusions only at that stage. Many of these exclusions may be relevant to computer-implemented inventions, including for example those directed to professional skills (*Tennessee Eastman Co. et al. v. Commissioner of Patents*, [1970] Ex. C.J. No. 14, 62 C.P.R. 117, aff’d [1974] S.C.R. 111 and *Lawson v. Commissioner of Patents*, [1970] Ex. C.J. No. 13, 62 C.P.R. 101). BM acknowledges that professional skills are judicially excluded subject matter, but maintains its argument that a computer-implemented invention involving professional skills could nonetheless be patentable if

it “comprises a practical application that employs [them]” (Paragraph 3b of the Federal Court’s judgment). This is just one of the judicial exclusions recognized in Canada (see enumerated exclusions in *Monsanto Canada Inc. v. Schmeiser*, 2004 SCC 34 at para. 133), and other similar exclusions, which have been found to be relevant to computer-implemented inventions in other common law jurisdictions, such as the US and Australia, and have yet to be considered by our courts.

[56] Turning now to the last portion of paragraph 3c, the Federal Court found it appropriate to include other patentability criteria, such as novelty, obviousness and utility, in the test it imposed, even though the Commissioner never carried out the exercise mandated under sections 28.2 and 28.3 of the Act (respectively concerning novelty and obviousness) in the decisions under appeal. In light of the Federal Court’s view of the Commissioner’s construction of the claims on the basis of “only the novel aspects of the invention” as a novelty analysis (see paragraph 6 above), its inclusion of these elements in the test suggests that it understood any reference to novelty or ingenuity when considering the definition of “invention” in section 2 to be misplaced. In other words, this wording suggests that novelty and ingenuity can only be considered when carrying out the analyses in application of sections 28.2 and 28.3 of the Act. That is certainly what was argued by BM and IPIC. However, once again, this important question, which has been the subject of much controversy in the United States and Australia, has never been addressed in Canadian case law.

[57] Before commenting on this point in more detail, I ought to explain why I refer to other common law jurisdictions in some of my comments. I agree with our Court’s comments in

Amazon that it would not be helpful to attempt to explain the results of BM's corresponding patent applications in other jurisdictions. This is even more so when one considers that, although applications corresponding to the 130 application were granted patents in many countries, only the United States issued a patent on an application corresponding to the 146 application. I also agree that the granting of a patent for a particular invention in other jurisdictions is not determinative as to whether it constitutes patentable subject matter in Canada; every jurisdiction has its own patent laws and administrative practices, which are sometimes inconsistent with one another in important respects. This is especially so in Europe.

[58] But when looking at pure questions of law, problems surrounding the interpretation of relevant definitions of an "invention" in other common law jurisdictions, and the application of well-recognized judicial exceptions in old common law cases become worthy of consideration. Thus, parties who are aware of them should at least mention their existence to the courts. Otherwise, it is like entering a forest unaware of the dangers therein.

[59] Thus, my point is not that we should adopt the solutions of other jurisdictions, but rather that before setting a compulsory test, we should ensure that our courts have had the opportunity to properly address all the relevant aspects of a question.

[60] That being said, I turn back to the Canadian authorities in order to discuss some aspects of the Supreme Court's decision in *Shell Oil* as construed by our Court in *Progressive Games, Inc. v. Canada (Commissioner of Patents)*, 2000 CanLII 16577 (FCA), 9 C.P.R.(4th) 479 (F.C.A.) (*Progressive Games*), which indicate that novelty and/or ingenuity may well be relevant

in applying the statutory definition of “invention” found at section 2 of the Act, contrary to what paragraph 3c implies.

[61] In *Shell Oil*, the central issue before the Supreme Court was whether the practical application of old compounds to a new use was an “invention” within the meaning of section 2 of the Act. It did not in any way involve the novelty requirement found elsewhere in the Act, nor did it apply or even discuss any exclusion to patentable subject matter, be it judicial or statutory.

[62] The claims at issue were directed to a very common type of claim—a chemical composition comprising chemical compounds mixed with an adjuvant, which would normally fall under the category of “composition of matter”. As disclosed in the patent application and acknowledged by the patentee, it was clear that both the chemical compounds and the adjuvant were commonly used and generally known, and that there was no “inventive ingenuity” in mixing them (*Shell Oil* at 538). The only “discovery” was that the old compounds had useful properties as plant growth regulators that were previously unknown (*Shell Oil* at 551-552). The case law reviewed by the Supreme Court provided some legal context, but as it acknowledged, there was no authority dealing with whether the discovery of a “new use” could qualify as “any new and useful art” within the meaning of an “invention” as defined by section 2 of the Act (*Shell Oil* at 548-549).

[63] The Supreme Court dealt with this central issue over some 12 paragraphs. I mention this in light of criticisms raised before us about other decisions that, according to certain participants, were not detailed enough to be given much weight. The value of judicial precedents is not

considered by the pound, and as always, the particular facts and dispute as presented by the parties must always be duly considered.

[64] The Supreme Court noted that what was put forward as “novel” was the “new use”, and that the “invention” under section 2 was the application of this “new knowledge” to effect a desired result (*Shell Oil* at 548-549). It emphasized that this “knowledge” had added to the cumulative wisdom on the subject matter of these compounds by a recognition of their “unrecognized properties” as plant growth regulators, which may be realized through practical application, in this case the compositions themselves (*Shell Oil* at 549). The Supreme Court added that there was no need for the combination itself (the actual composition) to be novel in any sense other than that it is required in order to give effect to the discovery, i.e., this particular use of the compound (*Shell Oil* at 549). I ought to mention that the need for a practical application is expressly included in the French version of “art”, *réalisation*, which is defined in the Larousse dictionary as “the act of realizing something, bringing it from the stage of conception to that of an existing thing; to realize, to be realized” (Dictionnaire Larousse (Paris: Larousse, 2023) sub verbo “réalisation” [MY TRANSLATION]). This is quite distinct from the French version of the term “art” in other sections of the *Act*.

[65] In *Amazon*, our Court noted that the approach adopted in *Shell Oil* was consistent with *Free World* and *Whirlpool* and that Justice Wilson construed the claims purposively (*Amazon* at para. 46). Nonetheless, the Supreme Court did not feel constrained by the fact that section 28 and following of the 1970 version of the Act (now section 28.2) provided for the statutory requirement of novelty, and in fact looked at novelty and ingenuity as relevant considerations in

determining whether the addition to human knowledge fell within the statutory definition of “invention” at section 2, which refers to a “new and useful art”. Also, it appears that the very essence of the learning or knowledge referred to by the Supreme Court, which falls within the definition of “art”, requires it to bring something that adds to human knowledge on the particular subject.

[66] This explains why our Court stated in *Progressive Games*, where the want of patentable subject matter was the only issue before it, that the method for playing poker for which the patentee was seeking a monopoly did not amount to a “new and innovative method of applying skill or knowledge within the meaning given to those words in [*Shell Oil*]”. In that case, like in *Shell Oil*, our Court considered the changes in the method of playing poker by comparing them to the poker game as it was generally known, and affirmed the Federal Court’s conclusion that although the changes involved the physical manipulation of cards (allegedly a practical application), this was insufficient to qualify them as an invention as they were not a “contribution or addition to the cumulative wisdom on the subject of games” within the meaning of *Shell Oil*.

[67] I agree with our Court’s statement in *Amazon* at paragraph 51 that, broadly speaking, the definition of “invention” found at section 2 reflects certain concepts which are also the subject of specific statutory provisions (sections 28.2 and 28.3 of the Act). However, as illustrated in *Shell Oil* and *Progressive Games*, this does not mean that these concepts become irrelevant when assessing whether subject matter meets the statutory definition of an “invention” at section 2.

[68] Our Court in *Amazon* did not expressly deal with whether novelty or ingenuity were relevant to the determination of patentable subject matter. Instead, it simply stated that the subject matter could not be determined “solely on the basis of the inventive concept” (*Amazon* at para. 47). However, it did state at paragraph 42 that “what the inventor has actually invented or claims to have invented is a relevant and necessary question” when assessing patentable subject matter (section 2 and the judicial and statutory exclusions). This is in line with our Court’s statement in *Schlumberger Canada Ltd. v. Commissioner of Patents*, [1982] 1 F.C. 845 at 847, 56 C.P.R. (2d) 204 (F.C.A.) (*Schlumberger*) that “in order to determine whether the application discloses a patentable invention, it is first necessary to determine what, according to the application, has been discovered”.

[69] In *Amazon*, our Court noted that in *Schlumberger* the particular patent application had failed for want of patentable subject matter because the only novel aspect of the claimed invention was the mathematical formulae (*Amazon* at para. 62). It also referred to the “inventive aspect” of the claimed invention at paragraph 63.

[70] Thus, while *Amazon* does not settle the issue of whether, once the claims have been purposively construed, the Commissioner may consider the concepts of novelty or ingenuity in assessing patentable subject matter under section 2, on my reading of the reasons as a whole, it certainly does not preclude such an exercise.

[71] I also note that in *Apotex Inc. v. Wellcome Foundation Ltd.*, 2002 SCC 77 at paragraph 37, Justice Binnie, in speaking about the “hard coinage” necessary to purchase the monopoly

defined by a claim, referred to “new, ingenious, useful and unobvious disclosures”, suggesting that he considered ingenuity to be something other than what would be unobvious pursuant to section 28.3 of the Act.

[72] At this stage, there are no authorities that have concluded that, once the claims have been purposively construed, these concepts cannot be considered to determine whether the subject matter falls within the definition of “invention” at section 2 and is not otherwise excluded. Moreover, our courts have yet to deal expressly with the extent to which the consideration of these concepts in application of section 2 differs from the exercises mandated by sections 28.2 and 28.3 of the Act.

[73] The recent decision of the High Court of Australia in *Aristocrat Technologies Australia Pty Ltd v. Commissioner of Patents* [2022] HCA 29, is of interest in that respect. In that case, the High Court had the benefit of a full evidentiary record as to how a person skilled in the art would understand the claims and what common general knowledge was relevant. It also noted that the claims had to be construed in their context after considering the specification as a whole. This approach to claim construction appears to me, on a preliminary reading, to be largely similar to the purposive construction approach set out in *Free World Trust* and *Whirlpool*. Moreover, the Australian Patent Act incorporates the old definition of invention found at section 6 of the Statute of Monopolies 1623 (any manner of new manufacture), which means that their approach to subject matter patentability remains rooted in the traditional principles of patent law, as developed through the common law methodology.

[74] This decision was quite unusual as, due to the seventh judge's unexpected absence, it had to be determined by a panel of six judges. This resulted in a 3-3 split, where the two sets of reasons came to a different result. However, in both sets of reasons, the learned judges recognized that novelty and ingenuity were relevant to the determination of whether the claimed monopoly was directed to an invention as defined in their Patent Act. On both sides, the judges agreed that the subject matter of the claims had to meet a low threshold of novelty and inventiveness in order to qualify as an invention within the statutory definition, and that this was a distinct exercise from the one mandated by other sections of their Patent Act dealing with the requirements of novelty and obviousness. I need not get into the details of why they ultimately disagreed as I simply mention this decision to illustrate that there are aspects inherent to the determination of the patentability of subject matter that have yet to be fully considered in Canada.

[75] Because of this, our panel raised the issue with BM, as to why so many courts in common law jurisdictions including the United States and Australia appear to look at the actual contribution to human wisdom or knowledge, albeit for different reasons (for example, in England because of the words "as such" in some statutory exclusions). BM did not engage with such questions, merely responding that all their respective patent legislation is different from the Act, and thus, that this case law was irrelevant, especially in light of our Court's decision in *Amazon*.

[76] I do not agree that, because patent law is statutory, the common law approach is irrelevant. In *Shell Oil*, the Supreme Court referred to old common law authorities, which were

based on the same definition that applies in Australia. Our Supreme Court constantly refers to English patent law cases, including when it developed the Canadian approaches to purposive claim construction, anticipation, and obviousness, despite the distinctions between their Patent Act and ours. It is therefore clear that the Supreme Court considered the approaches developed by English courts to be worthy of consideration. At this stage, I do not see why the Australian case law would not be treated similarly.

[77] As a side note, I also ought to mention that I do not believe that IPIC's description of what it calls the "two pathways" to patentability applicable in the United States (see IPIC's memorandum at paras. 51-54) fully depicts the complex situation in that country so that one can readily conclude that by adopting the proposed test, Canada would be in line with the situation in the United States. A simple review of the United States Patent and Trademark Office's (USPTO) Manual of Patent Examining Procedure (MPEP), where it attempts to simplify or explain subject matter patentability, especially with regard to judicial exceptions (abstract ideas, natural phenomena, and laws of nature), indicates that the matter is more complicated than what is briefly described in IPIC's memorandum.

[78] I therefore conclude that there is no basis in Canadian case law as it currently stands for limiting the Commissioner's consideration of the concepts of novelty and ingenuity to the analyses in application of sections 28.2 and 28.3 of the Act, as paragraph 3c of the test implies.

[79] To summarize, I find that apart from paragraph 3a, the test is not supported by the Canadian case law and deals with issues that have yet to be considered. It is also contrary to this

Court's decision in *Amazon*, which is a binding authority on the Federal Court. These errors justify our Court's intervention. Moreover, there was no need to include paragraph 3a in the judgment, as there was no longer any dispute between the parties when they came before the Court that it was the law.

C. *Additional Comments*

[80] In light of all the considerations explained above, including the fact that our case law has yet to conclusively resolve various related issues, I do not propose to amend the test set out in paragraph 3 of the Federal Court's judgment and set another test. It would be premature to do so in the context of this appeal, especially considering that, in my view, a fundamental aspect of the disagreement of the participants concerns whether the concepts of novelty and ingenuity can be considered at all when determining patentable subject matter. In this respect, the participants did nothing more than state their positions, rather than substantiating them.

[81] I will nonetheless offer a few comments that may be helpful until the remaining issues are determined in an appropriate case.

[82] The AG was quite concerned that the Federal Court did not give the decision in *Schlumberger* full weight, given our Court's comments in *Amazon* at paragraph 62.

[83] On the other hand, BM and IPIC say that in applying *Schlumberger* as a general principle, the Commissioner discriminates against computer-implemented inventions, and does not apply the law in a technology-neutral way.

[84] In this regard, it is worth repeating that caution should be exercised in developing principles derived from specific cases decided on their particular factual matrix and extrapolating them to other cases involving distinct facts, and in using “catch phrases, tag words, and generalizations” (*Amazon* at paras. 53-54), including “technological neutrality”. These statements apply equally to the Commissioner and IPIC.

[85] All participants should keep in mind the particular difficulties arising from the realization of potentially unpatentable subject matter by programming it into a computer by means of a formula or algorithm (abstract ideas) (*Amazon* at para. 61). In the same vein, the Commissioner should keep an open mind and not hastily conclude that the subject matter claimed is not patentable simply because it involves the use of conventional computer technology.

[86] As always, the determination of patentability is a highly fact specific exercise, and it is impossible to attempt to define the full spectrum of particular circumstances that may exist depending on the nature of a particular invention implemented by computer in these reasons. This is especially so, considering that the technology is becoming more and more complex with quantum technology and the advent of artificial intelligence.

[87] *Schlumberger* is an example of a case that is found at one end of this spectrum, where the computer was nothing more than a tool, albeit an essential one in the claim as drafted by the patentee, that simply manipulated information faster than a human could. This is why our Court in *Amazon* at paragraph 62 noted that there was nothing novel in the claimed invention in *Schlumberger* other than the mathematical formula. Using the Court’s terminology in *Shell Oil*, I

would say that there was no new knowledge other than that the use of a computer can manipulate information faster and more efficiently than a human, which did not add anything to human wisdom on the subject. It merely transformed information into a language that could be read by a computer.

[88] In fact, it appears that this was how *Schlumberger* was originally understood and applied by the Commissioner. Indeed, in *Application for Patent of Mobil Oil Corp, Re*, 1988 LNCPAT 7 (*Mobil Oil*) the claims related to the same field of technology as *Schlumberger*, and involved the use of seismic data. However, the Commissioner found that the method claimed, by filtering multiple reflections from seismograms, produced a new enhanced seismogram (*Mobil Oil* at paras. 7, 9 and 11). This was sufficient to distinguish it from the process claimed in *Schlumberger*. The application was thus directed to patentable subject matter within the meaning of section 2.

[89] This illustrates that the difficulty often lies in determining where the discovery lies, i.e., what new knowledge has been added to human wisdom, in order to assess whether what is claimed is indeed a practical application as this expression is used at paragraph 66 of *Amazon*.

[90] With respect to the “technological neutrality” argument, I believe the following example of a patent application involving a book aptly captures my point of view.

[91] Assume the topic of this book is how to make important decisions in life, with the objective of assisting the reader in making such decisions based on their particular circumstances

and characteristics. Each chapter relates to a different type of decision, for example, financial decisions, employment decisions, business decisions, etc., and provides a recommendation of what the reader should decide based on their personal input. The book begins with an introductory chapter, which aims to determine the overall character of the reader in order to assist them in making decisions in the various fields covered by the chapters of the book. It describes different personality traits and characteristics, based on well-known psychological and behavioural information. The reader is then asked to complete a type of questionnaire, similar to a personality test, which provides a result. This result will determine the type of recommendations the book will make to the reader, with regard to the type of decisions covered by each subsequent chapter. These chapters all follow the same model as the introductory one. They provide information on different aspects of decision making in the field in question, such as considerations, approaches, criteria, methods, derived from the knowledge of the professionals in said field (for example, financial advisors or business owners).

[92] This book, even if simply combining well-known knowledge or information, would likely be entitled to copyright protection, because of the way this knowledge and information is expressed and combined. However, if the author were to apply for a patent directed to this book (and include it as an essential element in the claims), the patentability of this book would depend on the nature of the discovery. The book itself would likely not constitute patentable subject matter. What could constitute such subject matter is the method proposed in the book for combining this information in a way that produces the desired result, i.e., the recommendations, provided that this method properly falls within the definition of “invention” in the Act and is not otherwise judicially or statutorily excluded subject matter. If, however, the only new knowledge

is the collection, consolidation, and presentation of well-known information using a book to proffer recommendations, then the subject matter will likely not be patentable, as it will not qualify as a “new and useful art” within the meaning of section 2.

[93] I do not see how this exact method would be treated differently if it were implemented by a computer, using an algorithm. The algorithm by which this method would be implemented into the computer would simply be a means of writing out what is set out in the chapters of the book in a way that enables the computer (as opposed to a reader) to understand it, and thus provide recommendations. This information (the recommendations) would presumably be obtained faster than by reading a particular chapter in a book and manually filling out a questionnaire. However, if the only discovery, i.e., the new knowledge, lies in the use of a computer to gather, synthesize, and present the well-known information found in the various chapters of the book to issue recommendations, then, just like the book, it will likely not meet the statutory definition of “invention”. However, like the book, the computer program may still be protected by copyright.

[94] In other words, if the only new knowledge lies in the method itself, it is the method that must be patentable subject matter. If, however, the new knowledge is simply the use of a well-known instrument (a book or a computer) to implement this method, then it will likely not fall under the definition found at section 2 without something more to meet the requirement described at paragraph 66 of *Amazon*.

[95] The Commissioner also appears to be concerned that unless the concepts of novelty or ingenuity are considered in the determination of patentable subject matter, an applicant may be

able to seek, through clever drafting, a monopoly defined by the claims encompassing subject matter that is not patentable (*Amazon* at para. 44). According to the Commissioner, this would not be addressed in the exercises carried out under sections 28.2 and 28.3 of the Act.

Unfortunately, at this stage, I cannot add more than what has already been said, given the generality of the representations made before us.

[96] At the end of the hearing, the panel urged the Commissioner to cooperate with IPIC so as to properly bring the issues that remain to be determined by Canadian courts, by issuing the decision that applies the appropriate purposive claim construction approach, and provides reasons that fully engage with these remaining issues.

[97] This appeal raised challenging questions in an area fraught with complexities. The manner in which these questions were raised was also most unusual, which did not contribute to their expeditious consideration. It also made it more difficult for the Court to give the participants the guidance, or at least some of the guidance, that they were seeking. Finally, as mentioned at the hearing, and despite IPIC's representations in that respect, this decision had to be issued in both official languages, as IPIC made its submissions in French, and further considering the importance of this decision and its broad impact extending beyond the interests of the participants.

IV. Conclusion

[98] In light of the above, I propose to allow the appeal, and delete paragraph 3 of the judgment of the Federal Court, replacing it with the following:

This redetermination of the patentability of these two applications should be carried out on an expedited basis, in light of the most current version of the MOPOP with the benefit of these reasons.

[99] I do not propose to grant any costs in this appeal.

"Johanne Gauthier"

J.A.

"I agree
George R. Locke J.A."

"I agree
Sylvie E. Roussel J.A."

APPENDIX

Patent Act (R.S.C., 1985, c. P-4)

[...]

Interpretation**Definitions**

2 In this Act, except as otherwise provided,

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; (invention)

[...]

Application for Patents

[...]

What may not be patented

27(8) No patent shall be granted for any mere scientific principle or abstract theorem.

[...]

Subject-matter of claim must not be previously disclosed

28.2 (1) The subject-matter defined by a claim in an application for a patent in Canada (the “pending application”) must not have been disclosed

(a) before the one-year period immediately preceding the filing date or, if the claim date is before that period, before the claim date by the applicant, or by a person who obtained knowledge, directly or indirectly, from the applicant, in such a manner that the subject-

[...]

Définitions**Définitions**

2 Sauf disposition contraire, les définitions qui suivent s’appliquent à la présente loi.

invention Toute réalisation, tout procédé, toute machine, fabrication ou composition de matières, ainsi que tout perfectionnement de l’un d’eux, présentant le caractère de la nouveauté et de l’utilité. (invention)

[...]

Demandes de brevets

[...]

Ce qui n’est pas brevetable

27 (8) Il ne peut être octroyé de brevet pour de simples principes scientifiques ou conceptions théoriques.

[...]

Objet non divulgué

28.2 (1) L’objet que définit la revendication d’une demande de brevet ne doit pas :

a) soit plus d’un an avant la date de dépôt de celle-ci, soit, si la date de la revendication est antérieure au début de cet an, avant la date de la revendication, avoir fait, de la part du demandeur ou d’un tiers ayant obtenu de lui l’information à cet égard de façon directe ou autrement, l’objet d’une

matter became available to the public in Canada or elsewhere;

(b) before the claim date by a person not mentioned in paragraph (a) in such a manner that the subject-matter became available to the public in Canada or elsewhere;

(c) in an application for a patent that is filed in Canada by a person other than the applicant, and has a filing date that is before the claim date; or

(d) in an application (the “co-pending application”) for a patent that is filed in Canada by a person other than the applicant and has a filing date that is on or after the claim date if

(i) the co-pending application is filed by

(A) a person who has, or whose agent, legal representative or predecessor in title has, previously regularly filed in or for Canada an application for a patent disclosing the subject-matter defined by the claim, or

(B) a person who is entitled to protection under the terms of any treaty or convention relating to patents to which Canada is a party and who has, or whose agent, legal representative or predecessor in title has, previously regularly filed in or for any other country that by

communication qui l’a rendu accessible au public au Canada ou ailleurs;

b) avant la date de la revendication, avoir fait, de la part d’une autre personne, l’objet d’une communication qui l’a rendu accessible au public au Canada ou ailleurs;

c) avoir été divulgué dans une demande de brevet qui a été déposée au Canada par une personne autre que le demandeur et dont la date de dépôt est antérieure à la date de la revendication de la demande visée à l’alinéa (1)a);

d) avoir été divulgué dans une demande de brevet qui a été déposée au Canada par une personne autre que le demandeur et dont la date de dépôt correspond ou est postérieure à la date de la revendication de la demande visée à l’alinéa (1)a) si :

(i) cette personne, son agent, son représentant légal ou son prédécesseur en droit, selon le cas :

(A) a antérieurement déposé de façon régulière, au Canada ou pour le Canada, une demande de brevet divulguant l’objet que définit la revendication de la demande visée à l’alinéa (1)a),

(B) a antérieurement déposé de façon régulière, dans un autre pays ou pour un autre pays, une demande de brevet divulguant l’objet que définit la revendication de la demande visée à l’alinéa (1)a), dans le cas où ce pays protège les droits de cette personne par traité ou

treaty, convention or law affords similar protection to citizens of Canada an application for a patent disclosing the subject-matter defined by the claim,

(ii) the filing date of the previously regularly filed application is before the claim date of the pending application,

(iii) the filing date of the co-pending application is within twelve months after the filing date of the previously regularly filed application, and

(iv) the applicant has, in respect of the co-pending application, made a request for priority on the basis of the previously regularly filed application.

[...]

Invention must not be obvious

28.3 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 before the one-year period immediately preceding the filing date or, if the claim date is before that period, before the claim 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

convention, relatif aux brevets, auquel le Canada est partie, et accorde par traité, convention ou loi une protection similaire aux citoyens du Canada,

(ii) la date de dépôt de la demande déposée antérieurement est antérieure à la date de la revendication de la demande visée à l'alinéa a),

(iii) la date de dépôt de la demande, il s'est écoulé, depuis la date de dépôt de la demande déposée antérieurement, au plus douze mois,

(iv) cette personne a présenté, à l'égard de sa demande, une demande de priorité fondée sur la demande déposée antérieurement.

[...]

Objet non évident

28.3 L'objet que définit la revendication d'une demande de brevet ne doit pas, à la date de la revendication, être évident pour une personne versée dans l'art ou la science dont relève l'objet, eu égard à toute communication :

a) qui a été faite, soit plus d'un an avant la date de dépôt de la demande, soit, si la date de la revendication est antérieure au début de cet an, avant la date de la revendication, par le demandeur ou un tiers ayant obtenu de lui l'information à cet égard de façon directe ou autrement, de manière telle qu'elle est devenue accessible au public au Canada ou ailleurs;

b) qui a été faite par toute autre personne avant la date de la revendication de manière telle

a manner that the information became available to the public in Canada or elsewhere.

qu'elle est devenue accessible au public au Canada ou ailleurs.

Patent Act (R.S.C., 1985, c. P-4) 1970 version

CHAPTER P-4

An Act respecting patents of invention

[...]

INTERPRETATION

Definitions

2. In this Act, and in any rule, regulation or order made under it,

"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;

[...]

APPLICATION FOR PATENTS

Who may obtain patents

28. (1) Subject to the subsequent provisions patents of this section, any inventor or legal representative of an inventor of an invention that was

(a) not known or used by any other person before he invented it,

(b) not described in any patent or in any publication printed in Canada or in any other country more than two years before presentation of the petition hereunder mentioned, and

[...]

INTERPRÉTATION

Définitions

2. Dans la présente loi, ainsi que dans tout règlement ou règle établie, ou ordonnance rendue, sous son autorité,

« **invention** » signifie toute réalisation, tout procédé, toute machine, fabrication ou composition de matières, ainsi qu'un perfectionnement quelconque de l'un des susdits, présentant le caractère de la nouveauté et de l'utilité;

[...]

DEMANDES DE BREVETS

Qui peut obtenir des brevets

28. (1) Sous réserve des dispositions subséquentes du présent article, l'auteur de toute invention ou le représentant légal de l'auteur d'une invention qui

a) n'était pas connue ou utilisée par une autre personne avant que lui-même l'ait faite

b) n'était pas décrite dans quelque brevet ou dans quelque publication imprimée au Canada ou dans tout autre pays plus

(c) not in public use or on sale in Canada for more than two years prior to his application in Canada,

may, on presentation to the Commissioner of a petition setting forth the facts (in this Act termed the filing of the application) and on compliance with all other requirements of this Act, obtain a patent granting to him an exclusive property in such invention

Applications for patents out of Canada

(2) Any inventor or legal representative of patents out of Canada an inventor who applies in Canada for a patent for an invention for which application for patent has been made in any other country by such inventor or his legal representative before the filing of the application in Canada is not entitled to obtain in Canada a patent for that invention unless his application in Canada is filed, either

(a) before issue of any patent to such inventor or his legal representative for the same invention in any other country, or

(b) if a patent has issued in any other country, within twelve months after the filing of the first application by such inventor or his legal representative for patent for such invention in any other country.

What may not be patented

de deux ans avant la présentation de la pétition ci-après mentionnée,

c) n'était pas en usage public ou en vente au Canada plus de deux ans avant le dépôt de sa demande au Canada,

peut, sur présentation au commissaire d'une pétition exposant les faits (ce que la présente loi indique comme « le dépôt de la demande ») et en se conformant à toutes les autres prescriptions de la présente loi, obtenir un brevet qui lui accorde l'exclusive propriété de cette invention

Demandes de brevets hors du Canada

(2) Un inventeur ou représentant légal d'un inventeur, qui a fait une demande de brevet au Canada pour une invention à l'égard de laquelle une demande de brevet a été faite dans tout autre pays par cet inventeur ou par son représentant légal avant le dépôt de sa demande au Canada, n'a pas le droit d'obtenir au Canada un brevet couvrant cette invention sauf si sa demande au Canada est déposée, soit

a) avant la délivrance de quelque brevet à cet inventeur ou à son représentant légal couvrant cette même invention dans tout autre pays, soit,

b) si un brevet a été délivré dans un autre pays, dans un délai de douze mois à compter du dépôt de la première demande, par cet inventeur ou son représentant légal, d'un brevet pour cette invention dans tout autre pays.

Ce qui n'est pas brevetable

(3) No patent shall issue for an invention be patented that has an illicit object in view, or for any mere scientific principle or abstract theorem.

Treaty or convention rights of applicants

29. (1) An application for a patent for an invention filed in Canada by any person entitled to protection under the terms of any treaty or convention relating to patents to which Canada is a party who has, or whose agent or other legal representative has, previously regularly filed an application for a patent for the same invention in any other country that by treaty, convention or law affords similar privilege to citizens of Canada, has the same force and effect as the same application would have if filed in Canada on the date on which the application for patent for the same invention was first filed in such other country, if the application in this country is filed within twelve months from the earliest date on which any such application was filed in such other country or from the 13th day of June 1923.

Limitation of two years

29(2) No patent shall be granted on an application for a patent for an invention that had been patented or described in a patent or publication printed in Canada or any other country more than two years before the date of the actual filing of the application in Canada, or had been in public use or on sale in Canada for

(3) Il ne doit pas être délivré de brevet pour une invention dont l'objet est illicite, non plus que pour de simples principes scientifiques ou conceptions théoriques.

Droits des demandeurs selon traité ou convention

29. (1) Une demande de brevet d'invention, déposée au Canada par quelque personne ayant le droit d'être protégée aux termes d'un traité ou d'une convention se rapportant aux brevets et auquel ou à laquelle le Canada est partie, qui a, elle-même ou par son agent ou autre représentant légal, antérieurement déposé de façon régulière une demande de brevet couvrant la même invention dans un autre pays qui, par traité, convention ou législation, procure un privilège similaire aux citoyens du Canada, a la même vigueur et le même effet qu'aurait la même demande si elle avait été déposée au Canada à la date où la demande de brevet pour la même invention a été en premier lieu déposée dans cet autre pays, si la demande au Canada est déposée dans un délai de douze mois à compter de la date la plus éloignée à laquelle une telle demande a été déposée dans cet autre pays, ou à compter du 13 juin 1923.

Prescription de deux ans

29(2) Aucun brevet ne doit être accordé sur une demande de brevet pour une invention qui a été brevetée ou décrite dans un brevet ou dans une publication imprimée au Canada ou dans un autre pays, plus de deux ans avant la date du dépôt réel de la demande au Canada, ou qui a été d'un usage public ou en vente au Canada

more than two years prior to such filing.

depuis plus de deux ans avant ce dépôt.

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

APPEAL FROM A JUDGMENT OF THE HONOURABLE ASSOCIATE CHIEF JUSTICE GAGNÉ DATED JUNE 17, 2022, NOS. T-1340-20 AND T-1341-20

DOCKET: A-188-22

STYLE OF CAUSE: ATTORNEY GENERAL OF CANADA v. BENJAMIN MOORE & CO. AND INTELLECTUAL PROPERTY INSTITUTE OF CANADA, CANADIAN LIFE AND HEALTH INSURANCE ASSOCIATION INC. AND THE INSURANCE BUREAU OF CANADA

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CONCURRED IN BY: LOCKE J.A.
ROUSSEL J.A.

DATED: JULY 26, 2023

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