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For Creativity and Innovation

BL O/068/08

5 March 2008

PATENTS ACT 1977

APPLICANT IGT

ISSUE Whether patent application no GB 0419337.1 complies with section 1(2)

HEARING OFFICER R C Kennell

DECISION

Introduction

1 This application was filed on 1 September 2004, claiming a priority of 5 September 2003 from an earlier US application. It was published under serial no. GB 2 405 736 A on 9 March 2005.

2 Despite amendment of the claims during substantive examination, the applicant has been unable to persuade the examiner that this is a patentable invention within the meaning of section 1(2) of the Act. This matter therefore came before me at a hearing on 20 February 2008. The applicant was represented by Mr David Slattery of the patent attorneys Wilson Gunn, and the examiner, Dr Bill Riggs, assisted via videolink.

The invention

3 As the specification explains, it is well known for gaming machines to provide a player with an opportunity to accumulate a bonus award when a bonus triggering event (such as a particular combination of symbols) occurs in the primary game that is being played. The invention aims to provide a new scheme for awarding a bonus. In general, this is done by generating a target number or symbol having a number of components and providing an award based on a series of predictions by the player as to the components of the target. Each correct prediction generates an award for the player, so that the overall bonus award will be based on the number of correct predictions, and the award may be modified at each stage by a multiplier.

4 The claims in their latest form were filed with a letter dated 3 April 2007 in order to distinguish the invention from the prior art cited by the examiner. They comprise four independent claims 1, 21, 30 and 38, which together with claim 39 are recited in full in an annex to this decision.

The law and its interpretation

5 The relevant parts of section 1(2) read:

> "It is hereby declared that the following (among other things) are not inventions for the purposes of this Act, that is to say, anything which consists of –
>
> ….
>
> (c) a scheme, rule or method for performing a mental act, playing a game or doing business, or a program for a computer;
>
> ….;
>
> but the foregoing provision shall prevent anything from being treated as an invention for the purposes of this Act only to the extent that a patent or application for a patent relates to that thing as such."

6 It is not disputed that the assessment of patentability under section 1(2) is now governed by the judgment of the Court of Appeal in the matters of *Aerotel Ltd v Telco Holdings Ltd* and *Macrossan's Application* [2006] EWCA Civ 1371, [2007] RPC 7 (hereinafter "*Aerotel*"). In this case the court reviewed the case law on the interpretation of section 1(2) and approved a four-step test for the assessment of patentability, namely:

1) Properly construe the claim

2) Identify the actual contribution (although at the application stage this might have to be the alleged contribution)

3) Ask whether it falls solely within the excluded matter

4) Check whether the actual or alleged contribution is actually technical in nature.

7 The operation of the test is explained at paragraphs 40-48 of the judgment, and some of this will bear emphasis in the light of the arguments before me at the hearing. Thus, paragraph 43 confirms that identification of the contribution is essentially a matter of determining what it is the inventor has really added to human knowledge, and involves looking at substance, not form.

8 Paragraphs 41 and 45-47 clarify that the new test is a re-formulation of that in *Merrill Lynch*, and (see paragraph 47) that "a contribution which consists solely of excluded matter will not count as a technical contribution". In the Court of Appeal's view, the fourth step of checking whether the contribution was technical, although necessary if *Merrill Lynch* was to be followed, might not need to be carried out because the third step - asking whether the contribution was solely of excluded matter - should have covered the point. It will not therefore be necessary for me to go on to the fourth *Aerotel* step if the invention falls at the third step[1].

[1] See *Oneida Indian Nation's Application* [2007] EWHC 954 (Pat), paragraphs 10-11

Arguments

9 The fundamental difference between the examiner and the applicant lay in the assessment of the contribution of the invention in the second step of the *Aerotel* test. Before I apply the test, it will be helpful to summarise their arguments. The examiner took the view that, since displays, processors and symbol sets were well known in the art, the contribution as a matter of substance lay in the method of operating the processor, irrespective of whether the invention was claimed as a device or a method of operating it. As he saw it, the method aspects of the invention were game rules and the apparatus aspects did not go beyond the commonplace features necessary to implement the game on a computer. Thus the invention was excluded under section 1(2) as a program for a computer and/or as a method for playing a game.

10 The applicant had suggested in earlier correspondence that the contribution was more properly regarded as a mechanism for the manipulation of data on a conditional basis under the influence of an external input, or for providing a series of operations which targeted a particular modifier in order to implement functions of the gaming device. As Mr Slattery put it in a skeleton argument provided for the hearing:

> "The contribution provided by the claims lies in the provision of a particular award generating mechanism operable to monitor input conditions resulting in outcomes, track the monitored outcomes and use the monitored outcomes to control a variation in the output state of the machine. In particular the monitored input conditions may be user generated events and/or machine generated events whilst the tracked outcomes might be the value of each event or selection to provide modifiers and the variation in the output state is the provision of or non-provision of user selectable features and/or the use of modifiers to calculate an award."

11 Mr Slattery equated the award generating mechanism with the "special exchange" feature in the Aerotel patent (GB 2171877) which was allowed in *Aerotel* (see paragraphs 50 – 57 of the judgment). As he saw it, this mechanism provided a gaming machine with a new functionality and new ability for the user to interact irrespective of whether it was implemented by way of machine code or computer software code. It followed therefore that the contribution was an additional technical feature of the gaming machine itself, which affected other technical features such as the display or input controls, and did not relate solely to excluded matter.

12 By way of explanation, Aerotel's claims were to a method and system for making telephone calls. Aerotel's invention avoided the need to pre-pay for telephone calls (eg in a call box) by providing a "special exchange" in the routeing of the call via a number public exchanges. The caller had a coded account with this exchange for the deposition of credit. To make a call he entered the number of the exchange and his code, and then the callee's number: so long as there was

sufficient credit in his account the call would be put through. The Court of Appeal held that, even though the system could be implemented using conventional computers - and indeed Mr Slattery argued that the special exchange would nowadays be implemented as a "virtual exchange" - the contribution of the invention was a "new physical combination of hardware" which could not be excluded solely as a method of doing business. The computer program exclusion was not specifically in issue in the Aerotel appeal.

13 In the skeleton argument Mr Slattery opined that the examiner's assessment of the contribution was flawed for the following reasons:

i. What had been added to human knowledge by the contribution was a new mechanism; the fact that it could be used to implement or affect the course of a game did not entitle the examiner to "cherry-pick" that particular element in order to exclude the invention.

ii. It was not correct to say that the contribution was excluded from patentability under the games exclusion because it did nothing more than affect the course of a game; if that were the case then no patent could be granted for any article used in a sport or game. On this point Mr Slattery drew my attention to the decision in *Konami* (T 0928/03) at paragraph 4.1.1. The EPO Technical Board held that making a possibly concealed indicator clearly visible on a display screen to the user of an interactive video game contributed an "objective technical function" to the display, which was not cancelled by the fact that the visualized information would enter into the decisions of the user interacting with the video game.

iii. Nor could the contribution be excluded simply because it was a method of operating a processor, since it was a consistent position in case law from *Merrill Lynch* through to *Aerotel*, and reaffirmed in *Astron Clinica Ltd and others* [2008] EWHC 85 (Pat) that such a method was patentable if it produced a new technical effect.

14 This is not the first time that the patentability of applications concerning the control of gameplay on gaming machines has been in issue before the comptroller and the court. I therefore reminded Mr Slattery before the hearing that it would be necessary to show why the present invention would not be excluded as a scheme, rule or method for playing a game in accordance with the judgment of Warren J in *IGT's Applications* [2007] EWHC 1341 (Ch) (hereinafter "*IGT*"). Also, I put it to Mr Slattery at the hearing that the argument he was advancing was for all practical purposes the same as the one I had rejected in my decision BL O/184/07 on another IGT application (although I am of course not bound by previous decisions of the comptroller). In that application I found the contribution to be the provision of means for monitoring two or more independent primary games provided on a gaming machine and for initiating an additional bonus game following the detection of triggering events in the same play of at least two such games.

15 Mr Slattery did not accept that his earlier argument before me was necessarily incorrect. Nevertheless, he saw the functionality provided by the extra

opportunity for a player to make selections and by the associated operation of a modifier as a distinction from the inventions considered by Warren J in *IGT.*

Analysis: application of the *Aerotel* test

Construction of the claims

16 This not entirely free from difficulty. Although, subject to the point below concerning the meaning of the term "modifier", no issue would appear to arise as regards the construction of the individual independent claims 1, 21, 30 and 38, the wording of each differs as to the way in which the game is played. Whilst I accept that to some extent at least this reflects the different embodiments described in the specification, it makes it difficult to discern the underlying concept of the invention.

17 Further, as I pointed out at the hearing, claim 38 unlike the other independent claims does not require the award for a correct selection to be based on a "modifier" (this feature being introduced by dependent claim 39 which is recited in the annex to this decision) and may not therefore be distinguished from the prior art. Mr Slattery accepted that the wording of this claim might need to be reconsidered if the application proceeded, and I do not need to consider this point any further.

18 The term "modifier" is not defined in the specification, but I interpret this in the light of the various embodiments which are described to be a multiplying factor whose value can be varied to reflect the predictions made by the player, enabling for example the awards at successive stages to be based on different multipliers.

The contribution of the invention

19 It follows from paragraph 43 of *Aerotel* that this has to be assessed as a matter of substance irrespective of the particular form in which the invention is claimed. On this basis, it seems to me that, whether the invention is claimed as a gaming device or a method for operating it, the contribution underlying all four independent claims is a way of playing a game in which an award is dependent on the correct prediction or picking by a player of a selected one of a number of component symbols, the award being based on the particular symbol. If I discount claim 38, then the award would also be dependent on a modifier whose value is capable of being varied.

20 Even if I were to accept Mr Slattery's argument that the Aerotel special exchange is implementable in virtual form, I do not think that the *Aerotel* judgment assists him and I am unconvinced that the contribution is a "mechanism" which adds new functions to the gaming machine itself. *Aerotel* turns on the finding that the special exchange was a distinct item of equipment whose inclusion meant that there was a new physical combination of hardware, but I do not think that in the present case there is any new hardware or combination of hardware. In my view, anything new in the monitoring of input and outcomes and the tracking and use of outcomes to control the output state of the machine, or in the effect on the display or input controls, is due solely to the game which is being played on the machine.

In short, following the reasoning in *IGT*, the aim of the invention as described in the specification is to provide a new bonus scheme on a gaming device in order to increase player enjoyment and excitement, and this is done by providing a new way to play a game, not by providing a new gaming machine.

21 I do not think that the features to which Mr Slattery has directed me (see paragraph 15 above) can lead to a different view. They still in my view relate to the way in which the game is played and not to any new feature in the gaming machine. I do not therefore think that they constitute any basis on which to distinguish *IGT* or to depart from my reasoning in O/184/07.

22 I do not therefore accept Mr Slattery's argument that using what the invention has added to human knowledge in order to implement a game or affect its course is not part of the contribution and that its inclusion represents some sort of "cherry-picking" by the examiner in order to place the contribution in an excluded area (see paragraph 13 (i) above). Rather, it seems to me that the contribution is entirely about the way in which a game is played on the gaming machine.

Does the contribution lie solely in excluded matter?

23 In regard to paragraphs 13 (ii)-(iii) above I agree with Mr Slattery that a contribution is not necessarily excluded because it does nothing more than affect the course of a game. A new construction of a golf club or cricket bat can affect the course of a game without itself falling into the excluded category of a scheme, rule or method for playing a game. I also agree that a contribution is not necessarily excluded because it is a method of operating a processor. Indeed, paragraph 22 of *Aerotel* emphasizes that an invention is not to be excluded merely because it involves the use of a computer program. I do not therefore think it is necessary for me to analyse the case law cited on points by Mr Slattery.

24 However, I do not think this is what the examiner was actually arguing. As I understand it from the correspondence as a whole he thought that the contribution was excluded because it was nothing more than the implementation of rules or methods for playing a game on an otherwise conventional computer and did not seem to be solving any technical problem.

25 In the light of my assessment of the contribution above, I agree with the examiner that as a matter substance it lies wholly within the excluded area as a method for playing a game.

26 I am not however convinced that the contribution relates solely to a computer program. Although I am in no doubt that in the vast majority of cases the invention will be implemented by a processor executing a program code or instructions, that of itself is as I have explained above not enough to exclude the invention. I do not think it entirely beyond the bounds of possibility that at least the relatively simple method of claim 38, even if further limited to the award being based on a modifier, might be implemented by some form of mechanical or electrical apparatus other than a programmed computer.

Technical contribution

27 As I have explained above, having found the contribution to lie solely in the excluded area of playing a game, it is not necessary for me to go on to the fourth *Aerotel* step and consider whether the contribution is technical in nature. Nevertheless - and although the persuasive effect of decisions of the Boards of Appeal of the EPO under Article 52 of the EPC must now be limited in view of the Court of Appeal's express refusal at paragraph 29 of *Aerotel* to follow EPO practice - I do not think that the invention is directed to the solution of any technical problem in the playing of a game such as the EPO board found in *Konami*.

Conclusion

28 I therefore conclude that the inventions of claims 1, 21, 30 and 38 are excluded under section 1(2) in that they relate to a method for playing a game as such. Having read the specification I do not think that any saving amendment is possible and I therefore refuse the application under section 18(3).

Appeal

29 Under the Practice Direction to Part 52 of the Civil Procedure Rules, any appeal must be lodged within 28 days.

R C KENNELL
Deputy Director acting for the Comptroller

ANNEX TO DECISION O/068/08
(*See paragraphs 4, 17*)

Claim 1

A gaming device comprising:
a plurality of component symbols;
a plurality of prediction symbols;
a display device; and
a processor operable with said display device to
(a) select one of said component symbols;
(b) designate one of said plurality of prediction symbols;
(c) display said designated prediction symbol;
(d) change a first modifier based on said displayed prediction symbol;
(e) change a second modifier if said prediction symbol matches said selected component symbol;
(f) if said prediction symbol does not match said selected component symbol;
(i) form at least two symbol sets based on said prediction symbol, wherein one of said symbol sets includes the selected component symbol;
(ii) enable the inputting of a prediction of which formed symbol set includes the selected component symbol;
(iii) reveal the selected component symbol; and
(iv) change a third modifier if the correct symbol set including the selected component symbol was picked;
(g) repeat steps (a) to (f) until each of said component symbols is revealed; and
(h) provide an award based on said first modifier, said second modifier and said third modifier.

Claim 21

A gaming device comprising:
a plurality of symbols;
a display device; and
a processor operable with said display device to:
(a) select at least one of said plurality of symbols;
(b) form a symbol set wherein said symbol set includes said selected symbol;
(c) indicate the symbols in the formed symbol set;
(d) enable picking of the selected symbol by picking one of the indicated symbols;
(e) display the selected symbol; and
(f) provide an award based on the selected symbol and a modifier if the selected symbol is correctly picked, wherein each time the selected symbol is correctly picked said award is based on a different modifier.

Claim 30

A method of operating a gaming device, said method comprising:

(a) selecting one of a plurality of component symbols;

(b) generating a prediction symbol;

(c) displaying said prediction symbol;

(d) providing an award if the generated prediction symbol matches the selected component symbol, wherein said award is based on said selected component symbol and a modifier;

(e) if the generated prediction symbol does not match the selected component symbol:

(i) forming a symbol set based on the generated prediction symbol, wherein said symbol set includes the selected component symbol;

(ii) displaying said symbol set that includes the selected component symbol;

(iii) enabling picking of one of the symbols from the symbol set which includes the selected component symbol; and

(iv) providing the award if the picked symbol is the selected component symbol;

(f) revealing the selected component symbol; and

(g) repeating steps (a) to (f) until each component symbol is revealed, wherein the modifier that each subsequent award is based on is greater than the modifier that each previous award is based on.

Claim 38

A method of operating a gaming device, said method comprising the steps of:

(a) selecting one of a plurality of symbols;

(b) forming a symbol set wherein said symbol set includes said selected symbol;

(c) indicating the symbols in the formed symbol set,

(d) enabling predicting of the selected symbol by picking one of the indicated symbols,

(e) displaying the selected symbol, and

(f) providing an award based on the selected symbol if the selected symbol is correctly picked.

Claim 39

The method of Claim 38, wherein each award is based on the selected symbol and a modifier.

R C KENNELL