Intellectual Property Office

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27 September 2013

PATENTS ACT 1977

APPLICANT WMS Gaming, Inc.

ISSUE Whether patent application GB 1103433.7 complies with the requirements of sections 1(1)(d) and 1(2)

HEARING OFFICER B Micklewright

DECISION

Introduction

1 International patent application PCT/US2009/052771 was filed on 4 August 2009 in the name of WMS Gaming, Inc. with a declared priority date of 5 August 2008. It was published under the PCT as WO 2010/017252 A1 on 11 February 2013. The application subsequently entered the GB national phase as GB 1103433.7 and was republished as GB 2475643 A. The examiner argued that the invention is excluded from patentability as a program for a computer as such and a method of doing business as such under sections 1(1)(d) and 1(2) of the Patents Act 1977 ("the Act"). The applicant disagreed. After several rounds of correspondence between the applicant's attorney and the examiner the matter was referred to me for a decision on the papers. Following the publication of *HTC v Apple*[1] I provided the applicant with an opportunity to make further submissions in relation to this case. Further submissions were received on 10 July 2013.

The invention

2 The invention relates to a wagering game network. A server stores user casino accounts. A user wishing to play a particular wagering game machine uses a mobile telephone to transfer a first monetary amount from their associated casino account to the wagering game machine specified in the request. Providing the user is signed onto the machine in question, the user may then play that machine with the monetary amount which has been transferred.

3 Each mobile telephone also provides a casino floor plan to the user upon which the wagering game machines are indicated. Drag-and-drop icons enable the user to drag different monetary denominations to particular game machines shown on the casino floor plan.

[1] *HTC Europe Co Ltd v Apple Inc (Rev 1)* [2013] EWCA Civ 451

4 Claim 1 as filed on 22 January 2013 is the only independent claim and reads:

> 1. A wagering game network comprising
>
> A wagering game account server having a player account database storing a plurality of player casino accounts each associated with a respective player;
>
> a plurality of wagering game machines located in a casino, each said wagering game machine having means for enabling a player to sign-on to the machine, means for receiving funds from said player casino accounts and means for presenting wagering games to said players; and
>
> a plurality of mobile telephones each associated with a respective said player;
>
> wherein:
>
> each said mobile telephone is configured to electronically transmit a request to electronically transfer a first monetary amount from the associated player casino account to a wagering game machine designated by the request;
>
> the wagering game account server is configured to receive the request, to electronically transmit the first monetary amount to the designated wagering game machine, and to update the player casino account to indicate the transfer; and
>
> each wagering game machine is configured to receive the first monetary amount;
>
> wherein:
>
> each wagering game machine comprises a processor which is operable, when a particular player is signed-on to said designated machine and said designated machine has received said monetary amount from said particular player's casino account, to present a wagering game and make the monetary amount available of use in the wagering game to enable the particular player to play the wagering game on the designated machine;
>
> and wherein:
>
> each mobile telephone is configured to provide an interface including a casino floor map indicating the wagering game machines and drag-and-drop icons enabling the player to drag different monetary denominations to particular wagering game machines shown on the casino floor map, thereby to determine the value of said first monetary amount and to designate the particular wagering game machine to which it should be transmitted.

The law

5 Section 1(1)(d) of the Act states that a patent may be granted only for an invention in respect of which the grant of a patent for it is not excluded by subsections (2) and (3) or section 4A. Section 1(2)(c) states that things which consist of "a scheme, rule or method for performing a mental act, playing a game or doing business, or a program for a computer" are not inventions for the purposes of the Act, but only to the extent that a patent or application for a patent relates to that thing as such.

6 There is a large amount of case law in relation to these provisions. The most significant recent judgments of the Court of Appeal on the matter are *Aerotel*[2] and *Symbian*[3]. In *Aerotel* the Court of Appeal reviewed all the previous case law and

[2] *Aerotel Ltd v Telco Holdings Ltd Ors Rev 1* [2007] RPC 7
[3] *Symbian Ltd's Application* [2009] RPC 1

specified the following four-step test as a methodology of determining whether an invention was excluded from patentability under section 1(1)(d):

> (1) Properly construe the claim;
>
> (2) identify the actual contribution;
>
> (3) ask whether it falls solely within the excluded subject matter;
>
> (4) check whether the actual of alleged contribution is actually technical in nature.

7 In *Symbian* the Court of Appeal confirmed that the above test is intended to be equivalent to the prior case law test of "technical contribution". In the present case I will therefore use the *Aerotel* test and ensure in my consideration of steps (3) and (4) that I determine whether the invention makes a technical contribution.

8 In the correspondence the applicant referred to a number of other judgments of the UK courts and also the EPO Boards of Appeal. I will consider the relevance of these judgments to the present case in my assessment below.

Assessment

(1) Properly construe the claim

9 No construction issues arise in relation to claim 1.

(2) Identify the actual contribution

10 There was some disagreement between the examiner and the applicant as to the precise contribution made by claim 1. The examiner considered the contribution to lie in the interface used to facilitate the transfer of funds between the account server and the wagering machine, namely a touch screen interface showing a map of the casino and the location of the wagering machines in which a "drag and drop" style interface is used to transfer funds.

11 The applicant took a different view and considered the contribution to include the process of activating or putting into operation a gaming machine. The following specific features in this process were highlighted:

> The machine is activated in response to two electronic events which take place in the machine:
>
> a. An electronic message representing a monetary amount (from a particular player account) has been received by the machine; and
>
> b. The electronic step of a particular player "signing-on" to the particular machine has taken place.

12 The applicant described the process of putting the machine into operation as a logical "AND" function taking place in the machine.

13 Further, the final clause of claim 1 specifies a particular form of user interface, provided on a mobile telephone, by means of which a user easily and simply enables activation of the wagering game machine to take place. The user causes the network to select a particular machine whose identity is shown on the map, select a particular monetary amount, and transfer the selected monetary amount to the selected machine, thereby providing one of the inputs listed above.

14 Thus, the applicant argued, the combination of features of claim 1 provides the following effects:

> a. the activation of a networked gaming machine to render it operable under control of a different terminal (the mobile telephone) on the network;
>
> b. the process of activating a gaming machine is simplified because the user interface defined in the claim is easy and convenient to use.

15 In a later submission the applicant highlighted another effect:

> c. the mobile telephones remotely effect a control function in the wagering game machines.

16 The applicant referred to a number of cases in their arguments as to how the contribution should be identified. Jacob LJ's comments on this matter in paragraph 43 of *Aerotel* provides useful guidance on the question of assessing the contribution:

> *"The second step – identify the contribution - is said to be more problematical. How do you assess the contribution? Mr Birss submits the test is workable – it is an exercise in judgment probably involving the problem said to be solved, how the invention works, what its advantages are. What has the inventor really added to human knowledge perhaps best sums up the exercise. The formulation involves looking at substance not form – which is surely what the legislator intended."*

17 The applicant submitted that I should consider the contribution of the claim as a whole and not disregard parts of the claim which may be in the prior art. He referred me to a number of cases including *Symbian*, *Protecting Kids The World Over (PKTWO)*[4] and *Halliburton*[5] in support of this argument.

18 I agree that I must consider the contribution made by the invention described in the claim when considered as a whole. Moreover it is clear from *Aerotel* that I have to consider the substance of the claimed invention, not its form. In accordance with *Aerotel*, what the inventor has really added to human knowledge perhaps best sums up the exercise.

19 The applicant also argued that I should consider the task performed by the invention, referring to a number of cases In support of this argument. This is certainly consistent with the guidance in *Aerotel* set out above in terms of the exercise in

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[4] *Protecting Kids the World Over (PKTWO) LTD's Patent application* [2012] RPC 13

[5] *Halliburton Energy Services Inc's Applications* [2012] RPC 129

judgment probably involving "the problem to be solved, how the invention works, what its advantages are" and I will consider it in this context.

20 Although the claim is directed towards a network, the invention does not lie in the field of networking. There is nothing added to human knowledge in this area. Rather the invention, in substance when considering the claim as a whole, relates to a way of enabling a user to play a particular wagering game machine in a casino. The invention achieves this by providing a user interface by which a user can drag and drop monetary amounts to particular wagering game machines using a casino map on a mobile telephone. The monetary amount is then transferred from the user's player casino account to the particular wagering game machine selected. The user then signs on to the particular wagering game machine and the monetary amount transferred is available on that machine.

21 The applicant characterises the contribution as a means for unlocking or activating the wagering game machine, or as a means for controlling the wagering game machine with the mobile telephone. Although in a sense the invention could be considered in this manner I am not convinced it really goes to the core of what the inventor has in substance added to human knowledge when the claim is considered as a whole. Rather in substance the invention provides a way of enabling a player to allocate monetary amounts to particular wagering game machines using an interface on a mobile telephone, so that they may then sign in to the particular machine and play that game. This is the contribution made to the art. It is also the task performed by the invention.

Steps (3) and (4): ask whether it falls solely within the excluded subject matter and check whether the actual of alleged contribution is actually technical in nature

22 I will consider steps (3) and (4) together. The examiner argued that the interface element relates to a method of doing business implemented as a computer program. He also considered the computer program to be running on standard hardware. After running through the signposts set out in *AT&T*[6] he considered that the contribution does not provide an improved interface but merely a known type of interface for the purpose of facilitating transfer of funds. He also said that the program does not affect a process outside of the computer system but rather facilitates the transfer of data representing funds between network nodes. It has no effect on the wagering machine operation. Moreover there is no increase in the speed or reliability of the computer itself and the computer does not operate in a new way at an architectural level. He therefore concluded that the contribution is no more than a computer program and does not provide a technical effect.

23 The applicant disagreed and argued that the effects listed in paragraphs 14 and 15 above were technical effects.

24 The applicant referred to a number of cases in support of their argument that the activation or putting into operation of a networked gaming machine is technical[7]. I am not convinced that these cases help the applicant in that the inventions in these

[6] *AT&T Knowledge Ventures' Application and CVON Innovations Ltd's Application* [2009] FSR 19
[7] *HTC Europe Co Ltd v Apple Inc* [2012] EWHC 1789 (Pat), *Gemstar-TV Guide International Inc v Virgin Media Limited* [2010] RPC 10

cases are different than in the present case. One relates to unlocking a smart phone and another to an electronic programming guide which comprises a user interface enabling the user to select a program for transfer to a memory. The problem is that the applicant's arguments are too broadly stated. It does not help simply to construct a generalised category in which both the claimed invention and an invention which was found to be patentable lie. Just because such things are patentable in some cases, it doesn't follow that the invention in the present case is patentable.

25 The applicant also discussed a number of EPO cases[8] which, the applicant claimed, support the proposition that data or information which is normally non-technical takes on a technical character when it contributes to a technical effect or to solving a technical problem. *Symbian* was also referred to in this context. I am not sure that this argument assists, even if it is correct. My task it to identify the contribution, as I have above, and then determine whether that contribution lies wholly in the excluded fields, or whether it makes a technical contribution. It does not automatically follow that the "monetary amount" defined in claim 1 must be considered as contributing to a technical effect of activating the gaming machine, as the applicant contends. Rather I have to consider the contribution as a whole in substance and decide whether that contribution makes a technical contribution.

26 Following the issuing of the Court of Appeal's judgment in *HTC v Apple* I provided an opportunity for the applicant to make further submissions in the light of this judgment. The applicant argued that this decision was the latest in a long line of authorities in which it had been held that making an item, device or apparatus easier or more convenient to use or operate is a relevant technical effect which results in a patentable invention. This is in my view another example of an over-generalisation of the concept. It is not the case that making anything easier to use necessarily results in a relevant technical effect. Rather, in *HTC v Apple* the Court of Appeal concluded that the invention made a technical contribution to the art on the basis of the specific details of the invention, of which this was one of its advantages. It demonstrates once again why the invention must be considered as a whole. The other cases referred to in these submissions by the applicant similarly came to a conclusion based on their own facts but it is an over-generalisation to then argue that the present case must therefore be patentable.

27 In my view the effects identified by the applicant are not technical effects. The first relates to activation of a networked gaming machine to render it operable under control of a different terminal (the mobile telephone) on the network. What actually happens is that via the mobile telephone interface funds are transferred from the user's casino account to the particular wagering game machine. There is nothing technical in this and this is certainly not activation of the wagering game machine in any technical sense. The second effect identified by the applicant as being technical is the process of simplifying the activation of the gaming machine because the user interface defined by the claim is easy and convenient to use. There is however nothing new in the interface features themselves. Drag and drop interfaces have been well known for many years. Rather the invention lies in using known interface features to facilitate the transfer of funds from a casino account to a wagering machine. There is nothing technical in this and once again there is no activation of the gaming machine in any technical sense. Rather the invention ensures that when

[8] T 1177/97 (*Siemens*), T 0154/04 (*Duns Licensing*) , T 1658/06 (*Microsoft*), T 0208/84 (*Vicom*)

the user signs in to a wagering game machine funds are available for use at that machine. Finally the applicant argued in relation to the third identified effect that the mobile phone is controlling the wagering game machine and this constitutes a technical effect. I am not convinced that there is really any control of the wagering machine by the mobile telephone here. All that happens at the mobile telephone is that a monetary amount is allocated to a particular wagering game machine. It is not controlling the wagering game machine in any technical sense.

28 Moreover I am not convinced that considering the task performed by the invention helps that applicant's case. That task is providing a means by where a user can transfer funds from the casino account to a wagering game machine by a drag and drop interface on a mobile telephone. It does not provide any technical activation of that machine.

29 I therefore conclude that none of the effects identified by the applicant are technical effects. Moreover I can find no other technical effects in the contribution I have identified above. I therefore conclude that the invention does not make a technical contribution. Rather it's contribution seems to be in the business sphere implemented as a computer program on a networked computer system.

30 By way of a check I will quickly run through the *AT&T* signposts. The fourth signpost was revised by Lewison J in *HTC v Apple* and the signposts now read:

> *i) whether the claimed technical effect has a technical effect on a process which is carried on outside the computer;*
>
> *ii) whether the claimed technical effect operates at the level of the architecture of the computer; that is to say whether the effect is produced irrespective of the data being processed or the applications being run;*
>
> *iii) whether the claimed technical effect results in the computer being made to operate in a new way;*
>
> *iv) whether the program made the computer a better computer in the sense of running more efficiently and effectively as a computer;*
>
> *v) whether the perceived problem is overcome by the claimed invention as opposed to merely being circumvented.*

31 The present invention does not have any technical effect on the wagering game machine, even if that machine can be considered something outside of the computer (which I doubt; it seems to me that the mobile telephone, the wagering game account server and the wagering game machines in essence form a single computer system.) As I have already found, the wagering game machine is not activated, unlocked or controlled in any technical sense.

32 In terms of the second signpost, there is clearly no technical effect operating at the level of the architecture of the computer as the invention operates at the application level. Nor does the computer system operate in any new way as the computer system operates in a standard manner. Moreover the computer itself is not a better computer as there are no improvements to the computer itself. Finally, the perceived

problem in the present case is not in my view a technical problem but really a business-related problem, namely how to enable a player to have funds available at a wagering game machine in a casino. The solution similarly is not a technical solution but one that essentially lies in the business sphere.

33 I therefore conclude that the contribution made in claim 1 is not a technical contribution. Rather it lies wholly in the excluded fields of a program for a computer as such and a method of doing business as such.

Conclusion

34 I have found that the invention described in claim 1 does not make a technical contribution and lies wholly in the excluded fields defined by section 1(2) of the Act. Moreover having examined the application I can find no basis for an amendment which would overcome this issue. I therefore refuse the application.

Appeal

35 Any appeal must be lodged within 28 days

B Micklewright

Deputy Director, acting for the Comptroller