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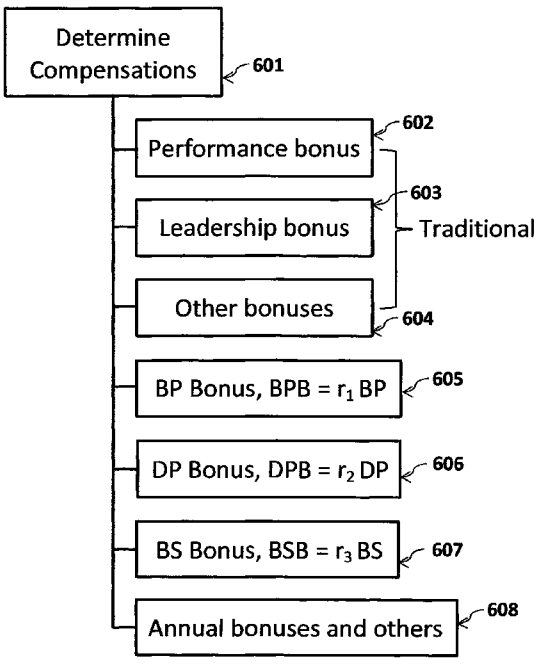

Fig. 6

(57) **Abstract:** The present invention relates generally to network marketing compensation, and specifically to a system and methods to compensate IBOs in a multi-level marketing program based on real business production performed by IBOs, by using definite specification methods, definite computation methods with compensation formulas, or specific techniques, to identify or determine Business Post, Leg Point, Depth Point and Business Scores, to calculate bonuses or other benefits in a compensation plan. A traditional stair-step and break-away plan is used as a starting point of improvements and is developed to be a new "team-up" compensation plan in this invention. Solutions of significant technical problems are disclosed.

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SYSTEM AND METHODS FOR NETWORK MARKETING COMPENSATION

TECHNICAL FIELD

[0001] This invention relates generally to network marketing compensation and more specifically to a system and methods to compensate customers or distributors or independent business owners, enrolled or sponsored in network marketing or multi-level marketing programs by using production-based criteria to reward Business Post bonus, Depth Point bonus and/or Business Scores bonus.

BACKGROUND ART

[0002] Network marketing involves direct selling or retail customer referral programs. A customer may, at the same time, become an independent distributor or independent business owner, hereinafter called: IBO; enrolled in a network marketing or multi-level marketing program and earn commissions, bonuses, and/or other benefits from a multi-level compensation plan. At present, millions of people around the world have involved in this industry.

[0003] IBOs purchase products/services at a discount, and may use the products by themselves or resell them. Furthermore, IBOs may refer or sponsor other people, called downline, and help them do the same by selling products and/or building network of consumers/direct sellers. They may also help downline sponsor next downline in the next levels and expand business by working together as a team.

[0004] Compensations are paid to IBOs in the manner of multi-level payouts according to business production they performed. Whereas, compensation plans actually are quite complicated as concerning with multiple levels and many people are involved. At present, compensation methods are diversified into many types and plans. In practice, it was found that, there are still some technical problems to be solved.

SUMMARY OF THE INVENTION

[0005] In this invention, compensation type of "stair-step and break-away" is used as a starting point of improvements and is developed to be a new "team-up" plan instead, by changing concept of "breaking away" which induces breakage, to be a new concept of

"teaming up" which is meaningful in both compensation methods or also in its sense of working together as a team.

[0006] In other words, "Team-up" means: Together everyone achieves more – ultimate plan. In this invention, methods of payouts are improved to be real fairness according to real business production they did.

Technical Problems and Solutions

[0007] In the traditional plans, compensation methods still have some challenges, such as: lack of suitable methods to correlate or balance of payouts between width and depth businesses, and to compensate depth business with a suitable control of total payout budgets. More specifically, some parts of payout methods induce conflicts among IBOs within the same line of sponsorship.

[0008] In imperfect plans, imbalanced payouts induce three kinds of relationship among upline and downline IBOs, these are: supportive, non-supportive and conflict. Improved methods of this invention eliminate two kinds of those negatives: non-supportive and conflict, and promote team working among them.

[0009] The improvements overcome all said technical problems, including: methods of a well-balance or correlation between width and depth businesses, methods of justified compensation according to depth business, and to prevent overflow of total payouts for limitless growth of real business, as well as methods to avoid conflicts within the same line of sponsorship due to imbalanced compensations.

[0010] For international and foster sponsor business or cross-structure business, methods to determine bonuses across business structures are also disclosed.

Industrial Applicability and Advantageous Effects of the Invention

[0011] By solving said technical problems, it is firmly believed that the improvements could be applied and much benefit to network marketing industry as a whole. It is encouraged to standardize compensation plans by the uses of this invention. Furthermore, it is expected that, as a fair or fine compensation system of the embodiment, it shall help uplift confidence of network marketing spirit or philosophy, and accelerate its role in the marketing systems.

BRIEF DESCRIPTION OF THE DRAWINGS

[0012] Fig. 1 is a flowchart of a data processing with brief steps to determine compensations for an IBO in a network marketing program.

[0013] Fig. 2 is a flowchart to determine Leg Point (LP) of a qualified leg.

[0014] Fig. 3 is a flowchart to determine Business Post (BP).

[0015] Fig. 4 is a flowchart to determine Depth Point (DP).

[0016] Fig. 5 is a flowchart to determine Business Scores (BS).

[0017] Fig. 6 shows overall compensations to be paid to IBOs.

[0018] Fig. 7 shows exemplary methods of definite specifications of B1 and S1.

[0019] Fig. 8 shows exemplary methods of definite specifications of B2 and S2.

[0020] Fig. 9 shows an exemplary method of definite specification of M1.

[0021] Fig. 10 shows an exemplary method of definite specification of M3.

[0022] Fig. 11 shows a mid-qualification of M4, as a calculated result of two qualified legs when BP is less than one.

[0023] Fig. 12 shows an exemplary calculated result of B1 with two qualified legs.

[0024] Fig. 13 shows another exemplary calculated result of B1 with two qualified legs of B1.

[0025] Fig. 14 shows two levels of 1-point qualifications of B1 and S1 in a qualified leg.

[0026] Fig. 15 shows another two levels of 1-point qualifications of B1 and S1, with a notice that, M2, or any pre-qualification or mid-qualification, is not counted as a level of 1-point qualification in a qualified leg.

[0027] Fig. 16 shows two levels of 2-point qualifications of B2, with a notice that, S1 is not counted as a level in a B2-leg.

[0028] Fig. 17 shows four levels of 2-point qualifications of B2 and above, with a notice that, B3 is counted as a level in a B2-leg, but it is used only as a 2-point qualification in that level when it is calculated as in a B2-leg.

[0029] Fig. 18 shows an exemplary modified method of definite specification of S1, when an international leg is calculated as a half of Leg Point ($LP_{inter} = 1/2$).

[0030] Fig. 19 shows an exemplary modified method of definite specification of B1, when an international leg is calculated as a half of Leg Point ($LP_{inter} = 1/2$).

[0031] Fig. 20 shows another exemplary modified method of definite specification of B1, when an international leg is calculated as one Leg Point ($LP_{inter} = 1$).

[0032] Fig. 21 shows an exemplary modified calculated result of B1, when an international leg is calculated as one Leg Point ($LP_{inter} = 1$).

[0033] Fig. 22 shows exemplary international sponsor leg and foster sponsor leg in a domestic or local structure.

[0034] Fig. 23 shows three levels of mid-qualifications of M3 and M4 in a qualified leg.

[0035] Fig. 24a shows an exemplary business structure of a traditional compensation system (prior art) for a comparison with the present improvements in Fig. 24b.

[0036] Fig. 24b shows an exemplary business structure of the preferred embodiment with the same genealogy and business sizes compared to those in Fig. 24a.

DETAILED DESCRIPTION OF THE INVENTION

[0037] To compensate IBOs in a network marketing program, Fig. **6** shows overall compensations **601** to be paid to IBOs who are eligible for. In some parts, traditional performance bonus **602**, leadership bonus **603** or some other bonuses **604** are applied by the same ways used in the traditional plans.

[0038] For improvements, the present invention introduces new terms or definitions of Business Post (BP), Leg Point (LP), Depth Point (DP) or Business Scores (BS), and used as bases for further calculation of the new invented bonuses.

Calculation of Compensations and Bonuses

[0039] Beyond traditional bonuses mentioned above, new bonuses are identified as: Business Post bonus **605**, $BPB = r_1 BP$; Depth Point bonus **606**, $DPB = r_2 DP$ and Business Scores bonus **607**, $BSB = r_3 BS$; where: r_1, r_2 and r_3 are payout rates. For further annual

bonuses or other benefits such as some specific awards or incentives may also be calculated, based on BP, LP, DP or BS.

[0040] Figs. **1** to **5** are data processing flowcharts with brief steps or methods to determine compensations for IBOs who are eligible for. In the processing, an IBO's business may be classified into three categories **101** as shown in Fig. **1**. These are: (i) an IBO with no qualified leg **102**, (ii) an IBO who attains one qualified leg **103**, or (iii) an IBO who attains two qualified legs or more **104**.

[0041] To determine compensations, for an IBO with no qualified leg, traditional performance bonus is applied. For an IBO who attains one qualified leg, methods of definite specification are primarily applied with the help of some calculation methods. And for an IBO who attains two qualified legs or more, methods of definite computation with specific compensation formulas are applied. Traditional leadership bonus (or override commission) **603** is applied for qualifiers who sponsor of at least one qualified leg.

[0042] For further details, methods to identify or determine BP, LP, DP or BS are disclosed with definite specifications or compensation formulas, as followings:

Definite Specifications

[0043] Definite specifications of the embodiment, that satisfy the conditions in a corresponding business production period, comprising:

[0044] [Spec. 1] Business Post (BP) of an IBO is definitely specified as a unit of business size, in the form of rounding-down integer, identified or determined by methods of definite specification, or also further determined by methods of definite computation with specific compensation formulas [Math. **1**]. An IBO who achieves 1 BP qualifies as B1, 2 BP qualifies as B2, or so on, correspondingly.

[0045] [Spec. 2] Business Post of one (1 BP or B1), of an IBO **701**, is definitely specified as an achievement of sponsoring at least a qualified leg of S1 **702** or above, and attaining side volume PV of at least a full volume PV **703**. B1 is a significant post like the first pillar in a business structure of network marketing.

[0046] [Spec. 3] Business Post of two (2 BP or B2), or above, of an IBO **801**, is definitely specified as an achievement of sponsoring at least a qualified leg of S2 **802**, or B2, or above,

and attaining side volume PV of at least two times of full volume PV **803**, or above, correspondingly.

[0047] [Spec. 4] Leg Point (LP) of a qualified leg is definitely specified as calculated point of leg size, determined by specific compensation formulas [Math. **3**] or other specified methods.

[0048] [Spec. 5] Depth Point (DP) of an IBO is definitely specified as calculated point of business depth, determined by specific compensation formulas [Math. **5**] with conditions.

[0049] [Spec. 6] Business Scores (BS) of an IBO is definitely specified as a unit of business with depth inclusive, determined by specific compensation formulas [Math. **6**].

[0050] [Spec. 7] S1 **702** is definitely specified as a base qualification of an IBO who achieves group volume PV of at least a full volume PV **704**. S1 is counted as a base point of at least one point.

[0051] [Spec. 8] S2 **802**, or above, is definitely specified as a base qualification of an IBO who achieves group volume PV of at least two times of full volume PV **804**, or above, excluding qualified leg(s), if any. S2, or above, is counted as at least two base points, or above, correspondingly.

[0052] [Spec. 9] P1 **118** is definitely specified as a pre-qualification of an IBO who sponsors a qualified leg of S1 or above.

[0053] [Spec. 10] P2 is definitely specified as a pre-qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV (excluding the qualified leg) of at least one-twelfth of full volume PV. Equivalent side volume PV fractions or E_k of P2 is 1/12.

[0054] [Spec. 11] P3 is definitely specified as a pre-qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-sixth of full volume PV. Equivalent side volume PV fractions or E_k of P3 is 1/6.

[0055] [Spec. 12] M1 **901** is definitely specified as a mid-qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-third of full volume PV **903**. Equivalent side volume PV fractions or E_k of M1 is 1/3.

[0056] [Spec. 13] M2 is definitely specified as a mid-qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least a half of full volume PV. Equivalent side volume PV fractions or E_k of M2 is 1/2.

[0057] [Spec. 14] M3 **1001** is definitely specified as a mid-qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least two-thirds of full volume PV **1003**. Equivalent side volume PV fractions or E_k of M3 is 2/3.

[0058] [Spec. 15] M4 **1101** is definitely specified as a mid-qualification of an IBO who sponsors two qualified legs of S1 or above, but not yet achieves B1 qualification or above. Equivalent side volume PV fractions or E_k of M4 is 2/3.

[0059] [Spec. 16] Group volume PV (GVP) is definitely specified as a total PV of personal group including personal PV, of an IBO.

[0060] [Spec. 17] Side volume PV (SVP or X) is definitely specified as a total PV of personal group including personal PV, but excluding qualified leg(s), of an IBO.

[0061] [Spec. 18] Full volume PV (FVP or Y) is definitely specified as a full volume PV that qualifies the maximum performance bonus level [Table **0001**].

[0062] [Spec. 19] Qualified leg is definitely specified as a business leg of an IBO, attaining at least a full volume PV, or a leg of attaining S1 or above, or a leg of at least one Leg Point.

[0063] [Spec. 20] Performance leg is definitely specified as a business leg of an IBO, attaining PV but not yet a full volume PV.

[0064] [Spec. 21] S-leg is definitely specified as a business leg of an IBO, attaining at least S1 qualification, but not yet B1 or above. Leg Point **210** of S-leg is definitely specified as X1/Y; where: X1 is group volume PV of S1 or above, and Y is a full volume PV of performance bonus schedule.

[0065] [Spec. 22] B-leg is definitely specified as a business leg of an IBO, attaining at least B1 qualification. Leg Point of B-leg is determined by specific compensation formulas [Math. **3**].

[0066] [Spec. 23] Leg Point of a qualified leg with pre-qualifications of P2, P3 or mid-qualifications of M1, M2, M3 or M4, is determined by an extra formula [Math. **16**].

[0067] [Spec. 24] International sponsor leg **2204** is definitely specified as a business leg of an IBO, internationally sponsored to another country or across to another structure and a business is built in local or domestic market under a foster sponsor's genealogical structure.

[0068] [Spec. 25] Foster sponsor leg **2205** is definitely specified as a local or domestic business leg of an IBO, internationally sponsored from another country or across from another structure and a business is built in local or domestic market under a foster sponsor's genealogical structure.

[0069] [Spec. 26] Number of qualified legs (N) is definitely specified as number of all qualified legs, or legs of at least one Leg Point, of an IBO.

Specific Compensation Formulas

[0070] Methods of definite computation by using specific compensation formulas, that satisfy the conditions in a corresponding production period, are disclosed herein, comprising:

[0071] [Math. 1] Business Post of an IBO, in rounding-down integer,

$$BP = f_1 (S - P) + f_2 X/Y;$$

[0072] [Math. 2] Sum of Leg Points of all qualified legs,

$$S = \sum LP_i = LP_1 + LP_2 + LP_3 + \ldots \qquad i = 1, 2, 3, \ldots;$$

[0073] [Math. 3] Leg Point of a qualified leg,

$$LP = \sum f_3^{(k-1)} D_k \qquad k = 1, 2, 3, \ldots;$$

[0074] [Math. 4] Parameter, $P = f_4 (f_5 H - N + 2);$

[0075] [Math. 5] Depth Point of an IBO, $DP = f_6 H;$

[0076] [Math. 6] Business Scores of an IBO, $BS = f_8 (BP + f_9 DP);$ where:

[0077] BP is Business Post of an IBO, in rounding-down integer;

[0078] DP is Depth Point of an IBO, DP < or = f_7 BP, if DP > f_7 BP, let DP = f_7 BP;

[0079] BS is Business Scores of an IBO;

[0080] S is sum of LP of all qualified legs of an IBO;

[0081] LP is Leg Point of each qualified leg, $LP_i = LP_1, LP_2, LP_3$ ... of legs #1, #2, #3 ..., respectively; it is noted that, if it could be calculated with several options in a qualified leg, the highest calculated point is identified as Leg Point.

[0082] D_k is Business Post or base point of the same point or above, of each level in the same line in depth, all D_k used in calculation are the same, i.e., $D_k = D_1 = D_2 = D_3$ ..., in levels #1, #2, #3 ..., respectively.

[0083] P is Parameter, P = or > 0, if P < 0, let P = 0.

[0084] H is the highest Leg Point of the largest leg of an IBO as calculated.

[0085] N is number of qualified legs of an IBO, N is used in calculation when two legs or more are qualified.

[0086] X is side volume PV (SVP), of an IBO, excluding qualified leg(s).

[0087] Y is full volume PV (FVP) of performance bonus schedule.

[0088] f_1, f_2, f_3, f_4, f_5, f_6, f_7, f_8 and f_9 are control factors, based on specific purpose of the program.

Modified Compensation Formulas

[0089] For international and foster sponsor business (Fig. **22**) or cross-structure business, international business factor (f_{inter}) and foster business factor (f_{foster}) are applied. In this case, full volume BV (FVB) of the performance bonus schedules [Table **0001**] between international markets or cross structures should be equivalent in worth, or else, adjustment factors may be needed, or other factors may also be included. The modified formulas, comprising:

[0090] [Math. 7] Leg Point of a foster leg, $LP_{foster} = f_{foster} LP$;

[0091] [Math. 8] Leg Point of an international leg, $LP_{inter} = f_{10} f_{inter} LP$;

[0092] [Math. 9] Business Post of a foster leg, $BP_{foster} = f_{foster} BP$;

[0093] [Math. 10] Business Post of an international leg, $BP_{inter} = f_{11} f_{inter} BP$;

[0094] [Math. 11] Depth Point of a foster leg, $DP_{foster} = f_{foster} DP$;

[0095] [Math. 12] Depth Point of an international leg, $DP_{inter} = f_{12} f_{inter} DP$;

[0096] [Math. 13] Business Scores of a foster leg, $BS_{foster} = f_{foster} BS$;

[0097] [Math. 14] Business Scores of an international leg, $BS_{inter} = f_{13} f_{inter} BS$;

[0098] where: f_{inter} is international business factor, f_{foster} is foster business factor; f_{10}, f_{11} , f_{12} and f_{13} are adjustment factors, based on specific purpose of the program.

[0099] It is recommended, but not a limitation, to start sharing Leg Point between international and foster sponsors when the calculated Leg Point of foster sponsor portion [Math. 7] becomes at least one point ($LP_{foster} = 1$), as when it is less than one point, it could not be calculated as a qualified leg. This means it is advised, in the preferred embodiment, to start sharing Leg Point from a qualified leg of at least B1, of domestic or local market.

[0100] On international sponsor portion, to calculate with Leg Point of international leg (LP_{inter}) **2204**, it is suggested to match with a qualifier of S1 or above. In the case if the calculated LP_{inter} is less than one point, it is not calculated as a qualified leg in the calculation on the international sponsor portion. Therefore, a compensation formula is modified as shown, herein:

[0101] [Math. 15] Business Post, $BP = f_1 (S - P) + f_2 X/Y + f_{14} LP_{inter}$; where: $LP_{inter} < 1$ and f_{14} is an adjustment factor.

Extra Techniques with Extra Formula

[0102] To calculate Leg Point of a qualified leg **211** with pre-qualifications of P2, P3 or mid-qualifications of M1, M2, M3 or M4 (Fig. **23**), extra techniques are disclosed with an extra formula, herein:

[0103] [Math. 16] Leg Point, $LP = 1 + \sum f_{15}{}^{k} E_k$; where: E_k is equivalent side volume PV fractions of pre-qualifications or mid-qualifications, in each levels in the same line in depth of the same fractions or above, by using the same fractions in calculation, i.e.: $E_k = E_1 = E_2 = E_3$..., in levels #1, #2, #3..., respectively, and f_{15} is a control factor.

Best Mode for Carrying out the Invention

[0104] The examples shown in the preferred embodiment, herein, are considered as the best mode, and therefore, are not considered as a limitation of the invention.

[0105] In an exemplary traditional program of some large companies in this industry, a compensation plan may comprise: (i) monthly bonuses, such as: performance bonus, ruby

bonus, leadership bonus, depth bonus; or (ii) annual bonuses, such as: emerald bonus, diamond bonus, diamond plus bonus, profit sharing bonus, founders achievement awards, or other benefits or incentives.

[0106] Payout calculation methods of such traditional plans can generally be found, so are not mentioned herein. The following is an exemplary performance bonus schedule, for a production period, which is used as a starting point in the examples of the embodiment, but is not a limitation. Performance bonus schedules may be diversified with different programs or different markets.

[0107] [Table 0001] Exemplary Performance Bonus Schedule (traditional)

PV (Point Value)	Bonus (% of BV)
150,000 or more	25%
100,000 - 149,999	21%
75,000 - 99,999	18%
50,000 - 74,999	15%
25,000 - 49,999	12%
12,500 - 24,999	9%
5,000 - 12,499	6%

Note: If BV/PV ratio is 3 or 3 BV (Business Volume) = 1 PV (Point Value). Therefore, full volume BV (FVB) is 450,000, while full volume PV (FVP) is 150,000. For as an example: if one BV is one Thai Baht, so full volume BV (FVB) is THB 450,000; a production period is one month.

[0108] Each IBO starts from 0 PV with 0% performance bonus at the beginning of each production period. Bonus percentage steps up to a higher level according to total group volume PV performed by the IBO including downline in that IBO's group. When total group volume PV reaches 150,000 PV or more, that satisfies the maximum performance bonus level, is identified as achieving a full volume PV (FVP).

[0109] Herein, an IBO who attains group volume PV of at least a full volume PV, in a production period, is qualified as S1 **702**. S1 is a qualification that is definitely specified in Spec. **7**.

[0110] Compensation formulas accompanying with various factors are disclosed above and the following values of the related factors are suggested to be used for calculation in the preferred embodiment, which also considered as the best mode, and therefore, are not considered as a limitation of the invention.

[0111] Suggested values of the factors used in the best mode are: $f_1 = 2/3$, $f_2 = 1$, $f_3 = ½$, $f_4 = 1$, $f_5 = 1$, $f_6 = ½$, $f_7 = 1$, $f_8 = 100$, $f_9 = 1$, $f_{10} = 1$, $f_{11} = 1$, $f_{12} = 1$, $f_{13} = 1$, $f_{14} = 1$, $f_{15} = ½$, $f_{inter} = 1/3$, $f_{foster} = 2/3$, and $f_{inter} + f_{foster} = 1$.

The Examples with Calculation Methods

[0112] The following examples are illustrated, together with calculation steps, on the purposes of demonstrating methods of the embodiment, and are not, therefore, considered as a limitation of the invention.

[0113] Fig. **12** shows a qualification of B1 as a calculated result. An IBO **1201** who sponsors two qualified legs of S1, and attains a side volume of at least one-third of full volume PV **1202**; by Math. **1**, $BP = f_1 (S - P) + f_2 X/Y = 2/3 (2 - 1) + 1 \times 1/3 = 1$, where: $S = 1 + 1 = 2$, from two legs of S1; LP of each leg = 1; and $P = f_4 (f_5 H - N + 2) = 1(1 \times 1 - 2 + 2) = 1$, $f_1 = 2/3$, $f_2 = 1$, $f_4 = 1$, $f_5 = 1$. So, the IBO achieves B1.

[0114] Depth Point by Math. **5**, $DP = f_6 H = ½ \times 1 = 0.5$, where $H = 1$, $f_6 = ½$. Business Scores by Math. **6**, $BS = f_8 (BP + f_9 DP) = 100 \times (1 + 1 \times 0.5) = 150$, where BP =1, DP = 0.5, $f_8 = 100$ and $f_9 = 1$. Therefore, the IBO **1201** qualifies as B1, attaining Depth Point of 0.5 and Business Scores of 150.

[0115] Fig. **13** shows another calculated result of B1. An IBO **1301** who sponsors two legs of at least B1 **1302, 1303** by Math. **1**, $BP = f_1 (S - P) + f_2 X/Y = 2/3 (3 - 1.5) + 0 = 1$, where $S = 1.5 + 1.5 = 3$, LP of each leg = 1.5, as $LP = \sum f_3^{(k-1)} D_k = (½)^{(1-1)} (1) + (½)^{(2-1)} (1) = 1.5$, $P = f_4 (f_5 H - N + 2) = 1(1 \times 1.5 - 2 + 2) = 1.5$, $f_1 = 2/3$, $f_2 = 1$, $f_3 = ½$, $f_4 = 1$, $f_5 = 1$. Depth Point of B1 **1301** by Math. **5**, $DP = f_6 H = ½ \times 1.5 = 0.75$, so, Business Scores of B1 **1301** by Math. **6**, $BS = f_8 (BP + f_9 DP) = 100 (1 + 1 \times 0.75) = 175$.

[0116] Fig. **14** and Fig. **15**, show that there are two levels of 1-point qualification **1402, 1403** in Fig. **14** and **1503, 1504** in Fig. **15**, with a notice that M2 **1502** as a mid-qualification (or any other pre-qualification or mid-qualification) is not counted as a level of 1-point in a qualified leg with B1 or S1 (Fig. **15**).

[0117] To determine Leg Point (Fig. **15**), as a qualified leg with M2 **1502**, B1 **1503** and S1 **1504** in the same line in depth as shown, it could be two options: (i) one level of M2, LP = 1 + $\sum f_{15}{}^{k} E_k = 1 + (½)^1 \times 1/2 = 1.25$, by Math. **16**; or (ii) two levels of 1-point of B1 and S1, $LP = \sum f_3{}^{(k-1)} D_k = 1.5$, by Math. **3**. Therefore, Leg Point of this leg is calculated as 1.5 points of a higher one.

[0118] Fig. **16** shows of a qualified leg of two levels of B2 **1602, 1603**. Leg Point is: $LP = \sum f_3{}^{(k-1)} D_k. = (½)^{(1-1)} (2) + (½)^{(2-1)} (2) = 3$, where $D_k = 2$, $f_3 = ½$ and $k = 2$.

[0119] In Fig. **17**, there are two options to calculate Leg Point: one level of B3 **1704** with LP = 3, or four levels of B2. It is notice that B3 **1704** as a higher qualification of 3 points, when calculated in B2-leg, it is used only 2 points the same as B2. So, $LP = \sum f_3{}^{(k-1)} D_k. = (½)^{(1-1)} (2) + (½)^{(2-1)} (2) + (½)^{(3-1)} (2) + (½)^{(4-1)} (2) = 3.75$, where $D_k = 2$, $f_3 = ½$, and $k = 4$. Therefore, LP of this leg is 3.75 points.

[0120] Fig. **18** shows that an IBO **1801** who attains at least a half of full volume PV **1802**, of group volume PV, locally, and at least a half point of international leg ($LP_{inter} = ½$) **1803**, becomes at least one base point. So, the IBO achieves S1 **1801** by one base point.

[0121] Fig. **19** shows an IBO **1901** sponsors a qualified leg of at least S1 **1902** and attains at least a half of FVP of side volume PV **1903** and at least a half point of international leg ($LP_{inter} = ½$) **1904**, becomes as at least a full volume PV, the IBO achieves B1 **1901** by definite specification methods.

[0122] Fig. **20** shows an IBO achieves B1 **2001**, who attains at least a full volume PV locally **2002**, and earns at least one LP of international leg ($LP_{inter} = 1$) **2003**. Fig. **21** shows an IBO achieves B1 **2101**, who sponsors a qualified leg of at least S1, locally **2102**, with at least one LP of international leg ($LP_{inter} = 1$) **2104**, and attains side volume PV of at least one-third of FVP **2103**, (by Math. **1**).

[0123] Fig. **22** shows an international sponsor leg **2204** and a foster sponsor leg **2205** in a local structure of foster sponsor. It is shown that, B1 **2203** of Level 2 and downline from

Level 2, have supports from two lines of sponsorship, internationally and locally. Calculations are: $LP_{inter} = f_{10} f_{inter} LP = 1 \times 1/3 \times 1.5 = 0.5$, and $LP_{foster} = f_{10} f_{foster} LP = 1 \times 2/3 \times 1.5 = 1$. And therefore, Leg Point with reference to the IBO **2201** becomes 1.5 points (instead of 1.75 points, if calculated without sharing LP with international sponsor).

[0124] Fig. **23** shows a leg qualified of M3 **2302**, M4 **2303**, M4 **2304** and at least S1 **2305**, in the same line in depth. In this case, an extra formula [Math. **16**] is applied to calculate Leg Point. M3 and M4, both are specified as mid-qualifications with $E_k = 2/3$. Therefore, $LP = 1 + \sum f_{15}{}^{k} E_k = 1 + (½)^{(1)} (2/3) + (½)^{(2)} (2/3) + (½)^{(3)} (2/3) = 1.583333$. So, Leg Point of this leg is 1.583333 points.

[0125] Figs. **24a** and **24b** show a comparison between a traditional compensation method compared with the embodiment of this invention of the same structures and the same business sizes.

[0126] Fig. **24a** shows that sponsoring three qualified legs in the traditional plan, is classified and recognized as C3, even though, that C3 **2401** sponsors three super legs (a total PV of 3 x 3 x 21 x 150,000 = 28,350,000 PV or more), while C3 **2402** sponsors three big legs (a total PV of 3 x 21 x 150,000 = 9,450,000 PV or more), and C21 **2403** sponsors 21 qualified legs of at least S1 (a total PV of 21 x 150,000 = 3,150,000 PV or more).

[0127] In the preferred embodiment, the calculated results show that an IBO who sponsors three super legs as shown, qualifies as B28 **2404**. While an IBO who sponsors three big legs as shown, qualifies as B19 **2405** and an IBO who sponsors 21 qualified legs of at least S1, qualifies as B14 **2406**.

[0128] The calculations are as the followings: an IBO who sponsors 21 qualified legs of at least S1 qualifies as B14 **2406**: $BP = f_1 (S - P) + f_2 X/Y = 2/3 (21 - 0) + 0 = 14$, where: $S = 21 \times 1 = 21$, $P = f_4 (f_5 H - N + 2) = 1 \times (1 \times 1 - 21 + 2) = -18 = 0$ (as $P < 0$). The IBO who sponsors three legs of B14 qualifies as B19 **2405**: $BP = f_1 (S - P) + f_2 X/Y, = 2/3 (42 - 13) + 0 = 19$ (rounding-down), where: $S = 3 \times 14 = 42$, $P = f_4 (f_5 H - N + 2) = 1 \times (1 \times 14 - 3 + 2) = 13$.

[0129] The IBO who sponsors three legs of B19 **2405** qualifies as B28 **2404**: $BP = f_1 (S - P) + f_2 X/Y = 2/3 (63 - 20) + 0 = 28$ (rounding-down), where: $LP = \sum f_3{}^{(k-1)} D_k = (½)^{(1-1)} (14)$

+ $(½)^{(2-1)}$ (14) = 21 (as 2 levels of B14 or above), S = 3 x 21 = 63, P = f_4 (f_5 H – N + 2) = 1 x (1 x 21 - 3 + 2) = 20, (where: f_1 = 2/3, f_2 = 1, f_3 = ½, f_4 = 1, f_5 = 1).

[0130] B14 **2406** attains Depth Point, DP = f_6 H = ½ x 1 = 0.5, and Business Scores, BS = f_8 (BP + f_9 DP) = 100 x (14 + 1 x 0.5) = 1,450. B19 **2405** attains Depth Point, DP = f_6 H = ½ x 14 = 7, and Business Scores, BS = f_8 (BP + f_9 DP) = 100 x (19 + 1 x 7) = 2,600. And B28 **2404** attains Depth Point, DP = f_6 H = ½ x 21 = 10.5, and Business Scores, BS = f_8 (BP + f_9 DP) = 100 x (28 + 1 x 10.5) = 3,850.

[0131] It can be summarized from the calculation results that, in the preferred embodiment (Fig. **24b**), the IBO who sponsors 3 super legs with a total PV of at least 28,350,000 PV as shown, deserves for a qualification of B28 **2404** with Business Scores of 3,850; the IBO who sponsors 3 big legs with a total PV of at least 9,450,000 PV as shown, deserves for B19 **2405** with Business Scores of 2,600; and B14 **2406** who sponsors 21 legs of at least S1 with a total PV of at least 3,150,000 PV deserves for Business Scores of 1,450.

Concluding Remarks

[0132] This invention solves significant technical problems of the traditional network marketing compensation methods and develops a brand-new "Team-up" compensation plan by using the inventive methods of definite specification and/or definite computation with the compensation formulas.

[0133] Novelty of this invention that overcomes prior art is shown by said system and methods that precisely identify or determine compensations to be paid to IBOs according to real business production they performed with fairness as well as awareness of sustainability of long-term and limitless growth of the business program, while avoiding imbalanced compensation payouts which induce conflicts among IBOs within the same line of sponsorship.

[0134] Furthermore, as shown above, steps of invention are disclosed in the manner that the persons who skilled in this industry are able to follow and apply. And lastly, it is expected that this invention shall certainly benefit directly to most network marketing companies as well as millions of people involved in this industry around the world.

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Claims

The invention claimed is:

[Claim 1] A system with definite specification methods or definite computation methods by using compensation formulas to identify or determine bonuses or benefits to be paid to customers or distributors or independent business owners (IBOs) enrolled in retail customer referral programs or network marketing or multi-level marketing programs, said bonuses including: Business Post bonus, Depth Point bonus or Business Scores bonus, based on business production in a production period; said system further including methods to identify or determine: Business Post (BP), Leg Point (LP), Depth Point (DP), or Business Scores (BS).

[Claim 2] The system of Claim 1, further including the uses of definite specifications, that satisfy the conditions in a corresponding production period, comprising:

Business Post of one (1 BP or B1), definitely specified as a business size or a qualification of an IBO, achieving of sponsoring at least a qualified leg of S1 or above, and attaining side volume PV of at least a full volume PV;

Business Post of two (2 BP or B2), or above, definitely specified as a business size or a qualification of an IBO, achieving of sponsoring at least a qualified leg of S2 or B2, or above, and attaining side volume PV of at least two times, or above, of full volume PV, correspondingly;

S1 definitely specified as a qualification of an IBO who attains group volume PV of at least a full volume PV; S1 is counted as a base point of at least one point;

S2, or above, definitely specified as a qualification of an IBO who attains group volume PV of at least two times, or above, of full volume PV; S2, or above, is counted as at least two base points, or above, correspondingly;

P1 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above;

P2 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-twelfth of full volume PV; equivalent side volume PV fractions or E_k of P2 is 1/12;

P3 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-sixth of full volume PV; E_k of P3 is 1/6;

M1 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-third of full volume PV; E_k of M1 is 1/3;
M2 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least a half of full volume PV; E_k of M2 is 1/2;
M3 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least two-thirds of full volume PV; E_k of M3 is 2/3;
M4 definitely specified as a qualification of an IBO who sponsors two qualified legs of S1 or above, but not yet achieves B1; E_k of M4 is 2/3.

[Claim 3] The system of Claim 1 or Claim 2, further including the uses of specific compensation formulas, that satisfy the conditions in a corresponding production period, comprising:

$BPB = r_1 BP$; $DPB = r_2 DP$; $BSB = r_3 BS$;
$BP = f_1 (S - P) + f_2 X/Y$; $S = \sum LP_i$; $LP = \sum f_3^{(k-1)} D_k$;
$P = f_4 (f_5 H - N + 2)$; $DP = f_6 H$; $BS = f_8 (BP + f_9 DP)$;

where: P = or > 0, if P < 0, let P = 0; DP < or = f_7 BP, if DP > f_7 BP, let DP = f_7 BP; BPB is Business Post bonus; DPB is Depth Point bonus; BSB is Business Scores bonus; BP is Business Post, in rounding-down integer; DP is Depth Point; BS is Business Scores; LP_i is Leg Point of each qualified leg; D_k is Business Post or base point of the same point or above, of each level in the same line in depth of a qualified leg, by using the same point in calculation; S is sum of Leg Point of all qualified legs; P is parameter; H is the highest Leg Point of the largest leg of an IBO as calculated; N is number of qualified legs of an IBO with two legs or more; X is side volume PV, excluding qualified leg(s); Y is a full volume PV of performance bonus schedule; r_1, r_2, r_3 are payout rates; and f_1, f_2, f_3, f_4, f_5, f_6, f_7, f_8, f_9 are control factors.

[Claim 4] The system of any one of Claims 1 to 3, applying for international and foster sponsor business or cross-structure business, further including modified compensation formulas, comprising:

$LP_{foster} = f_{foster} LP$; $LP_{inter} = f_{10} f_{inter} LP$; $BP_{foster} = f_{foster} BP$;
$BP_{inter} = f_{11} f_{inter} BP$; $DP_{foster} = f_{foster} DP$; $DP_{inter} = f_{12} f_{inter} DP$;
$BS_{foster} = f_{foster} BS$; $BS_{inter} = f_{13} f_{inter} BS$; $BP = f_1 (S - P) + f_2 X/Y + f_{14} LP_{inter}$ in the case of LP_{inter} is less than one, of international sponsor portion;

where: f_{inter} is international business factor, f_{foster} is foster business factor; f_{10}, f_{11} , f_{12}, f_{13} and f_{14} are adjustment factors; subscript "foster" stands for "foster leg" and subscript "inter" stands for "international leg".

[Claim 5] The system of any one of Claims 1 to 4, further including methods to identify an IBO's business into three categories, comprising: (i) an IBO with no qualified leg, wherein, traditional performance bonus applied; (ii) an IBO who attains one qualified leg, herein, definite specification methods primarily applied; or (iii) an IBO who attains two qualified legs or more, herein, specific compensation formulas applied.

[Claim 6] The system of Claim 5, further including methods to identify a qualified leg into two categories, comprising: (i) a qualified leg of S-leg which qualified of at least S1, without qualification of B1 or above in that leg, herein, Leg Point of S-leg definitely specified as X1/Y, where: X1 is group volume PV of S1 or above, and Y is a full volume PV; or (ii) a qualified leg of B-leg which qualified of at least B1 in that leg, herein, Leg Point of B-leg determined by using specific compensation formulas of Claim 3.

[Claim 7] The system of Claim 6, further including methods to identify a qualified leg as multiple levels in the same line in depth of the same point or above, by using the same point in calculation; whereas, if there are more than one option in calculation, a result of the highest point is counted as Leg Point of that leg.

[Claim 8] The system of Claim 6 or Claim 7, further including methods to determine Leg Point of a qualified leg with qualifications of P2, P3, M1, M2, M3 or M4; by using an extra formula, herein: $LP = 1 + \sum f_{15}{}^{k} E_k$; where: E_k is equivalent side volume PV fractions, in each levels in the same line in depth of the same fractions or above, by using the same fractions in calculation, and f_{15} is a control factor.

AMENDED CLAIMS
received by the International Bureau on 14 March 2019 (14.03.2019)

[Claim 1] [Amended] A system and methods for the procedures and processing of compensation determinations in network marketing industry, comprising:

definite specification methods, or definite computation methods by using compensation formulas, or combinations thereof;

to identify or determine organizational structures, or bonuses, or benefits, to be paid compensation, to customers or distributors or independent business owners (IBOs), enrolled in network marketing, or multi-level marketing, or retail customer referral programs;

said bonuses including: Business Post bonus, Depth Point bonus, or Business Scores bonus, based on business production in a production period;

said system further including methods to identify or determine: Business Post (BP), Leg Point (LP), Depth Point (DP), or Business Scores (BS).

[Claim 2] The system of Claim 1, further including the uses of definite specifications, that satisfy the conditions in a corresponding production period, comprising:

Business Post of one (1 BP or B1), definitely specified as a business size or a qualification of an IBO, achieving of sponsoring at least a qualified leg of S1 or above, and attaining side volume PV of at least a full volume PV;

Business Post of two (2 BP or B2), or above, definitely specified as a business size or a qualification of an IBO, achieving of sponsoring at least a qualified leg of S2 or B2, or above, and attaining side volume PV of at least two times, or above, of full volume PV, correspondingly;

S1 definitely specified as a qualification of an IBO who attains group volume PV of at least a full volume PV; S1 is counted as a base point of at least one point;

S2, or above, definitely specified as a qualification of an IBO who attains group volume PV of at least two times, or above, of full volume PV; S2, or above, is counted as at least two base points, or above, correspondingly;

P1 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above;

P2 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-twelfth of full volume PV; equivalent side volume PV fractions or E_k of P2 is 1/12;

P3 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-sixth of full volume PV; E_k of P3 is 1/6;

M1 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least one-third of full volume PV; E_k of M1 is 1/3;

M2 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least a half of full volume PV; E_k of M2 is 1/2;

M3 definitely specified as a qualification of an IBO who sponsors a qualified leg of S1 or above, and attains side volume PV of at least two-thirds of full volume PV; E_k of M3 is 2/3;

M4 definitely specified as a qualification of an IBO who sponsors two qualified legs of S1 or above, but not yet achieves B1; E_k of M4 is 2/3.

[Claim 3] The system of Claim 1 or Claim 2, further including the uses of specific compensation formulas, that satisfy the conditions in a corresponding production period, comprising:

$BPB = r_1 BP$; $DPB = r_2 DP$; $BSB = r_3 BS$;

$BP = f_1 (S - P) + f_2 X/Y$; $S = \sum LP_i$; $LP = \sum f_3^{(k-1)} D_k$;

$P = f_4 (f_5 H - N + 2)$; $DP = f_6 H$; $BS = f_8 (BP + f_9 DP)$;

where: P = or > 0, if P < 0, let P = 0; DP < or = f_7 BP, if DP > f_7 BP, let DP = f_7 BP; BPB is Business Post bonus; DPB is Depth Point bonus; BSB is Business Scores bonus; BP is Business Post, in rounding-down integer; DP is Depth Point; BS is Business Scores; LP_i is Leg Point of each qualified leg; D_k is Business Post or base point of the same point or above, of each level in the same line in depth of a qualified leg, by using the same point in calculation; S is sum of Leg Point of all qualified legs; P is parameter; H is the highest Leg Point of the largest leg of an IBO as calculated; N is number of qualified legs of an IBO with two legs or more; X is side volume PV, excluding qualified leg(s); Y is a full volume PV of performance bonus schedule; r_1, r_2, r_3 are payout rates; and f_1, f_2, f_3, f_4, f_5, f_6, f_7, f_8, f_9 are control factors.

[Claim 4] The system of any one of Claims 1 to 3, applying for international and foster sponsor business or cross-structure business, further including modified compensation formulas, comprising:

$LP_{foster} = f_{foster} LP$; $LP_{inter} = f_{10} f_{inter} LP$; $BP_{foster} = f_{foster} BP$; $BP_{inter} = f_{11} f_{inter} BP$; $DP_{foster} = f_{foster} DP$; $DP_{inter} = f_{12} f_{inter} DP$; $BS_{foster} = f_{foster} BS$; $BS_{inter} = f_{13} f_{inter} BS$; $BP = f_1 (S - P) + f_2 X/Y + f_{14} LP_{inter}$ in the case of LP_{inter} is less than one, of international sponsor portion;

where: f_{inter} is international business factor, f_{foster} is foster business factor; f_{10}, f_{11} , f_{12}, f_{13} and f_{14} are adjustment factors; subscript "foster" stands for "foster leg" and subscript "inter" stands for "international leg".

[Claim 5] The system of any one of Claims 1 to 4, further including methods to identify an IBO's business into three categories, comprising: (i) an IBO with no qualified leg, wherein, traditional performance bonus applied; (ii) an IBO who attains one qualified leg, herein, definite specification methods primarily applied; or (iii) an IBO who attains two qualified legs or more, herein, specific compensation formulas applied.

[Claim 6] The system of Claim 5, further including methods to identify a qualified leg into two categories, comprising: (i) a qualified leg of S-leg which qualified of at least S1, without qualification of B1 or above in that leg, herein, Leg Point of S-leg definitely specified as X1/Y, where: X1 is group volume PV of S1 or above, and Y is a full volume PV; or (ii) a qualified leg of B-leg which qualified of at least B1 in that leg, herein, Leg Point of B-leg determined by using specific compensation formulas of Claim 3.

[Claim 7] The system of Claim 6, further including methods to identify a qualified leg as multiple levels in the same line in depth of the same point or above, by using the same point in calculation; whereas, if there are more than one option in calculation, a result of the highest point is counted as Leg Point of that leg.

[Claim 8] The system of Claim 6 or Claim 7, further including methods to determine Leg Point of a qualified leg with qualifications of P_2, P_3, M_1, M_2, M_3 or M_4; by using an extra formula, herein: $LP = 1 + \sum f_{15}{}^{k} E_k$; where: E_k is equivalent side volume PV fractions, in each levels in the same line in depth of the same fractions or above, by using the same fractions in calculation, and f_{15} is a control factor.

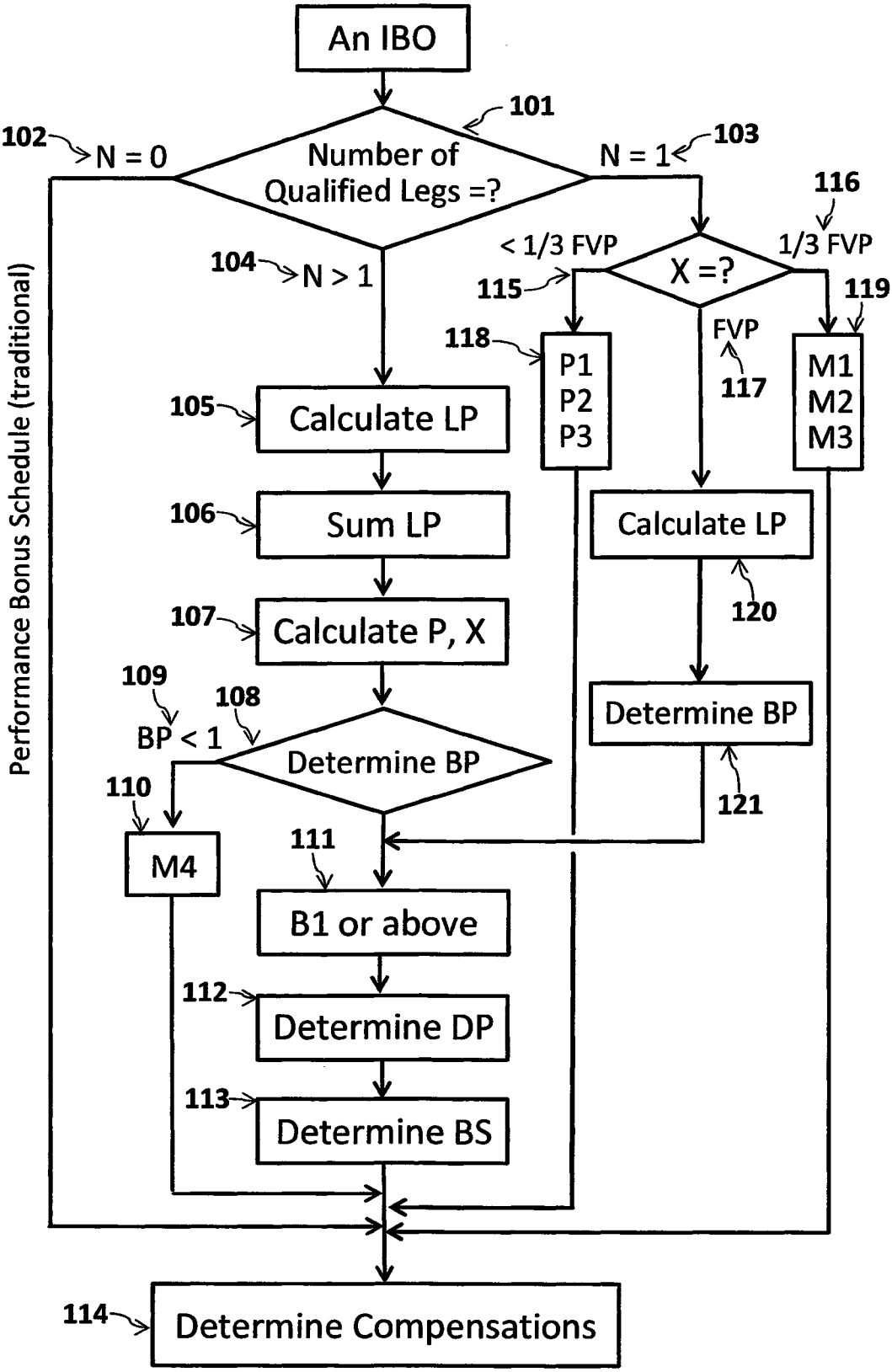

An IBO
101
Number of Qualified Legs =?
102
N = 0
103
N = 1
104
N > 1
116
1/3 FVP
< 1/3 FVP
115
X =?
119
118
P1
P2
P3
FVP
117
M1
M2
M3
105
Calculate LP
106
Sum LP
107
Calculate P, X
109
BP < 1
108
Determine BP
110
M4
111
B1 or above
112
Determine DP
113
Determine BS
Calculate LP
120
Determine BP
121
114
Determine Compensations
Performance Bonus Schedule (traditional)

Fig. 1

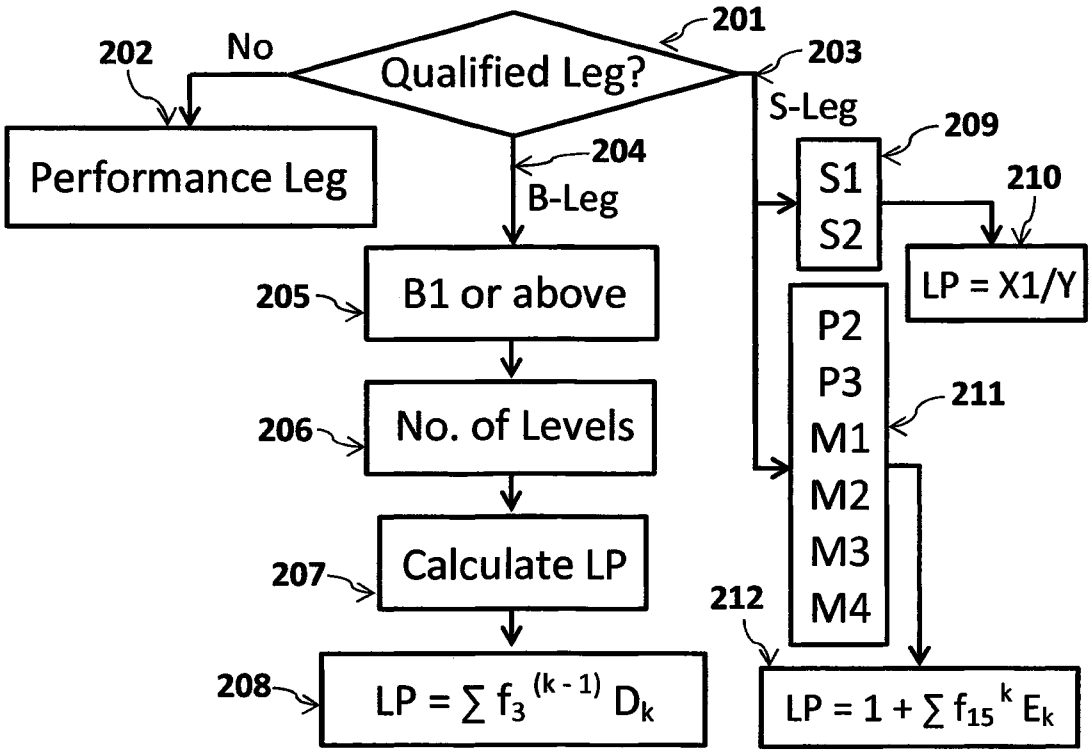

201
202
No
Qualified Leg?
203
S-Leg
209
204
B-Leg
S1
S2
210
Performance Leg
LP = X1/Y
205
B1 or above
P2
P3
211
206
No. of Levels
M1
M2
M3
M4
207
Calculate LP
212
208
LP = ∑ f3 (k - 1) Dk
LP = 1 + ∑ f15 k Ek

Fig. 2

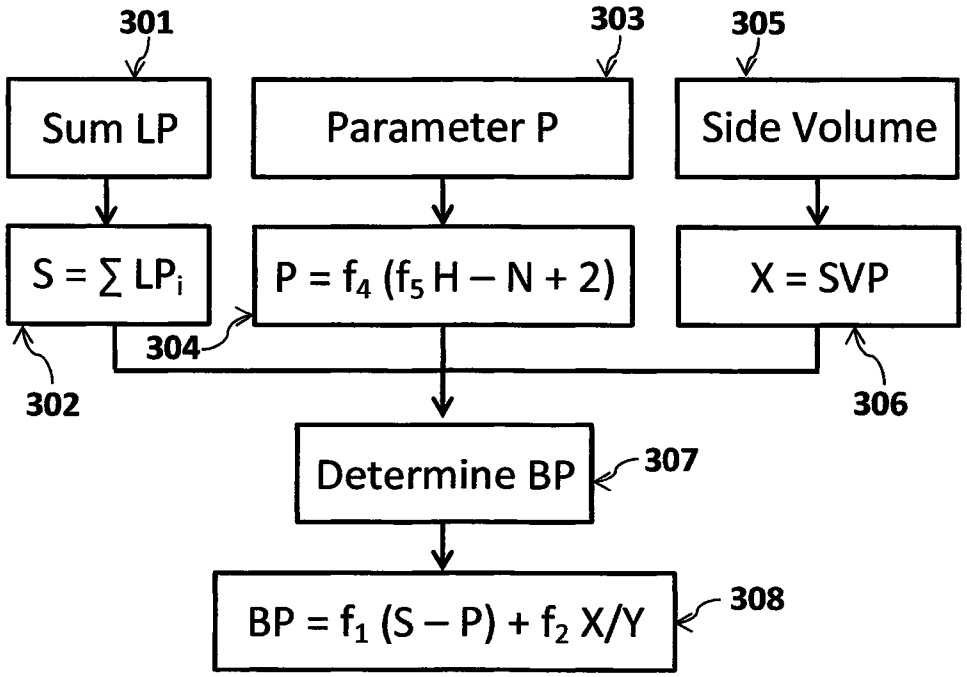

301
303
305
Sum LP
Parameter P
Side Volume
S = ∑ LPi
P = f4 (f5 H – N + 2)
X = SVP
304
302
306
Determine BP
307
BP = f1 (S – P) + f2 X/Y
308

Fig. 3

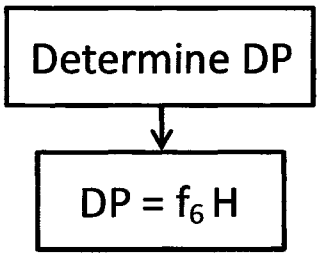


Fig. 4

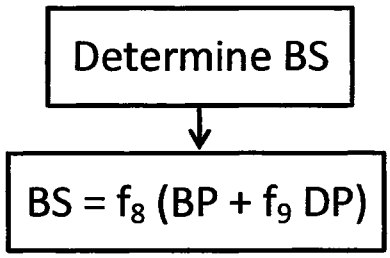


Fig. 5

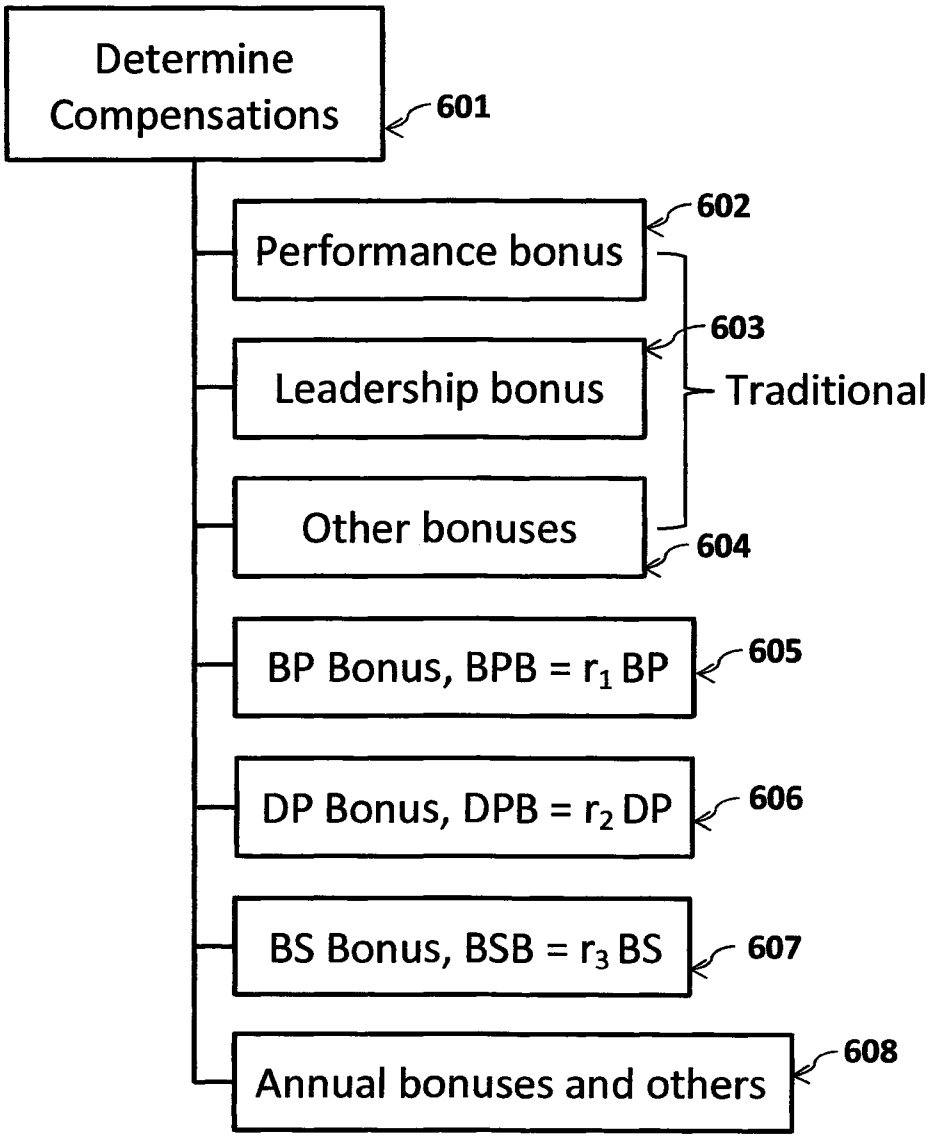


Fig. 6

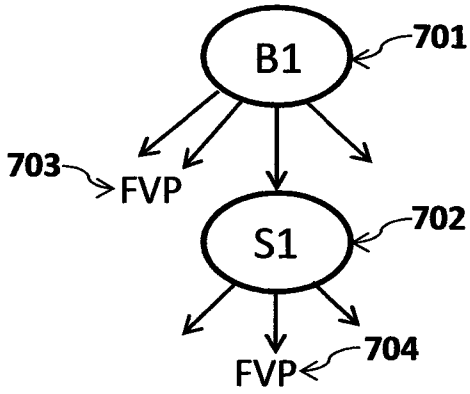


Fig. 7

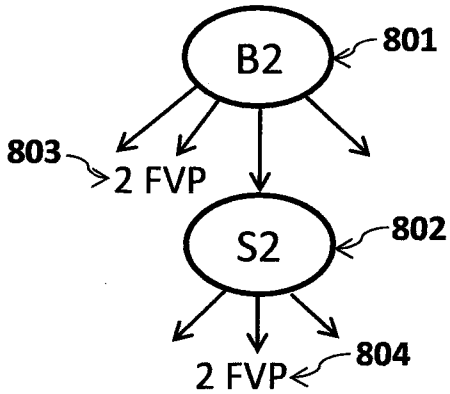


Fig. 8

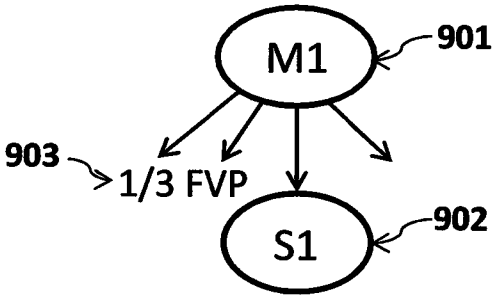


Fig. 9

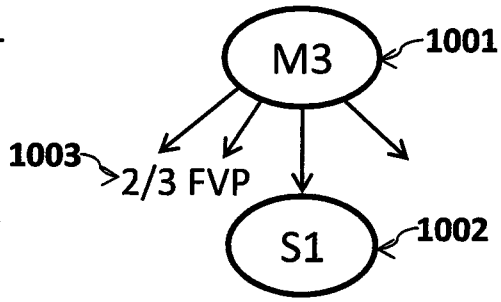


Fig. 10

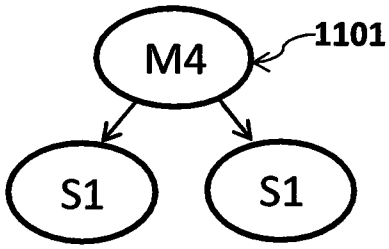


Fig. 11

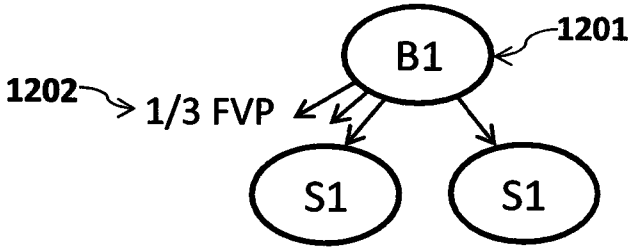


Fig. 12

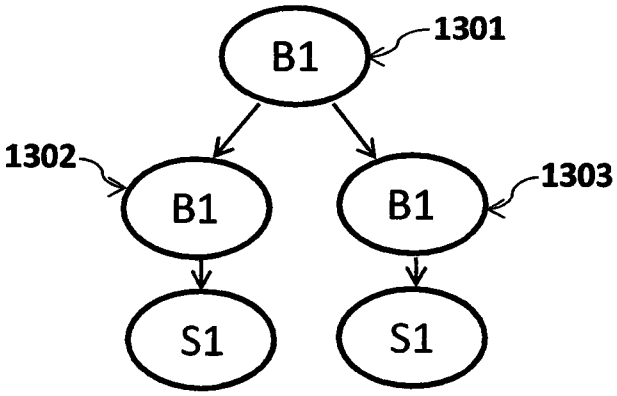


Fig. 13

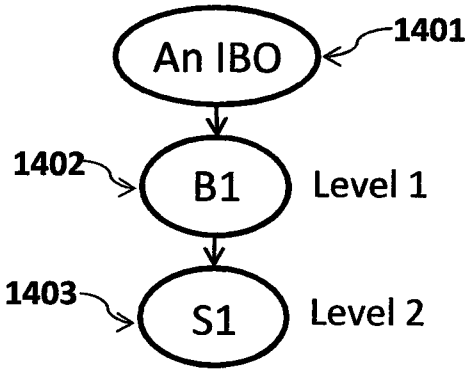


Fig. 14

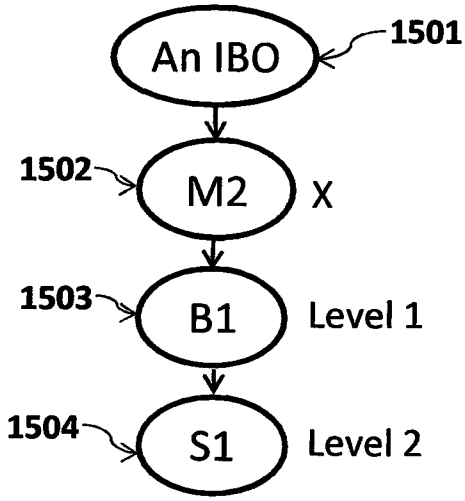


Fig. 15

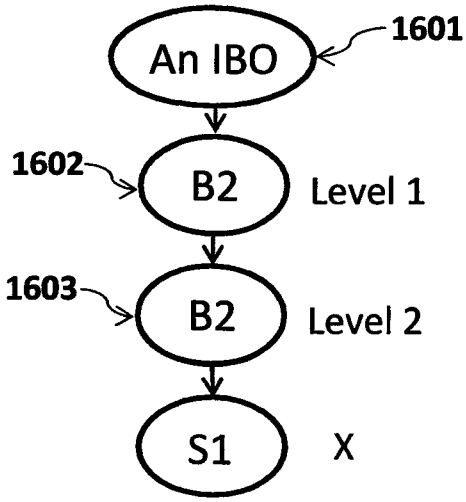


Fig. 16

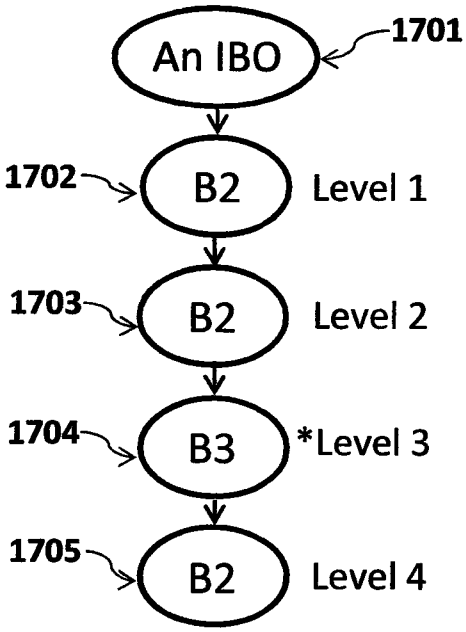


Fig. 17

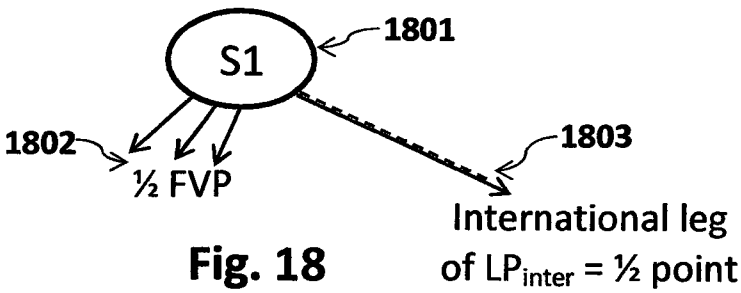


Fig. 18

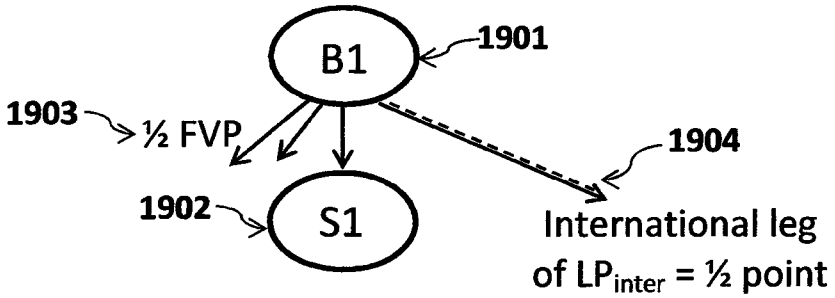


Fig. 19

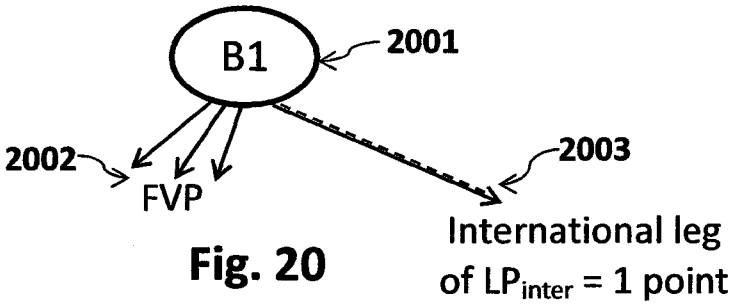


Fig. 20

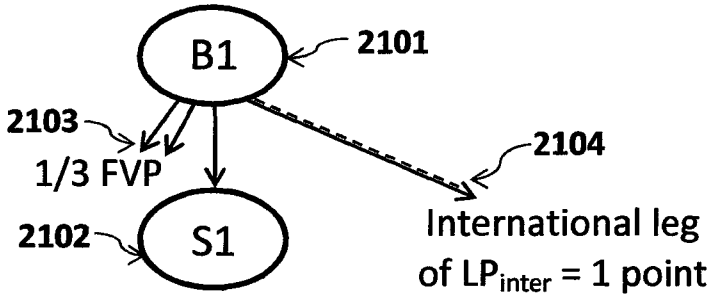


Fig. 21

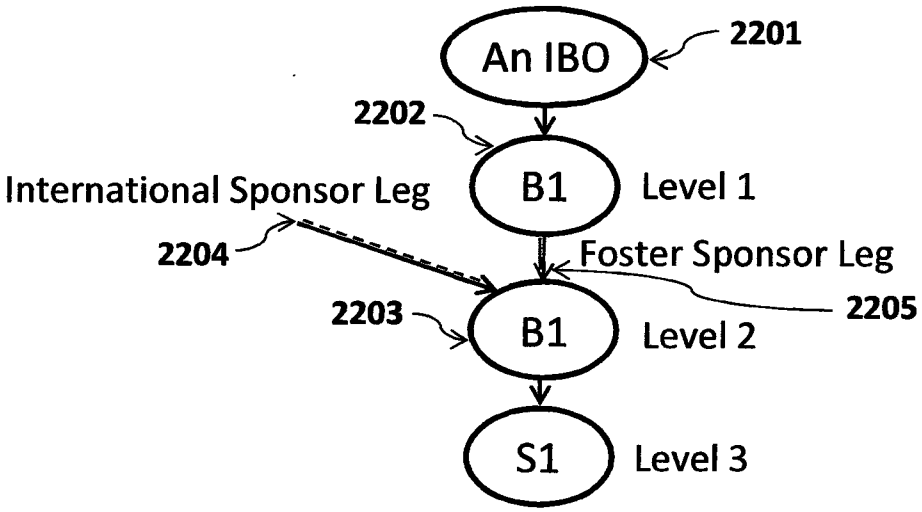


Fig. 22

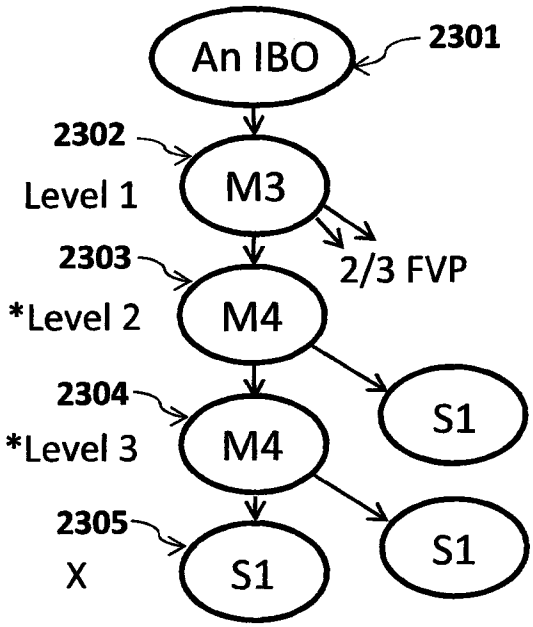


Fig. 23

Fig. 24a

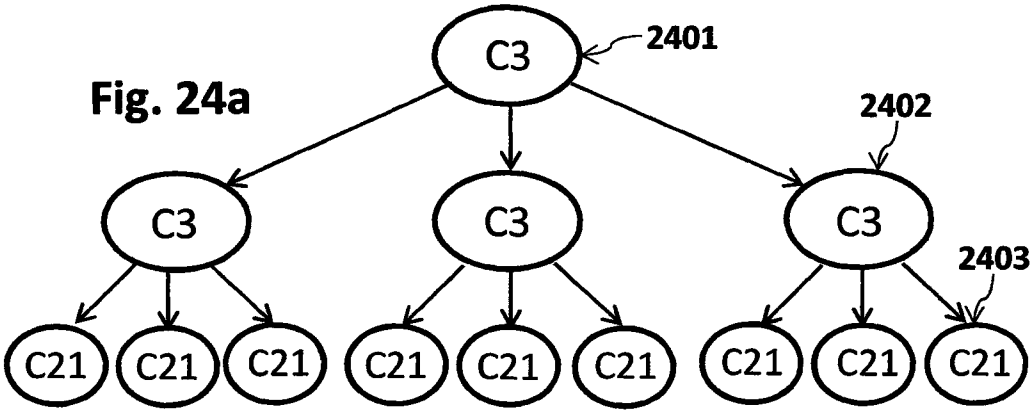
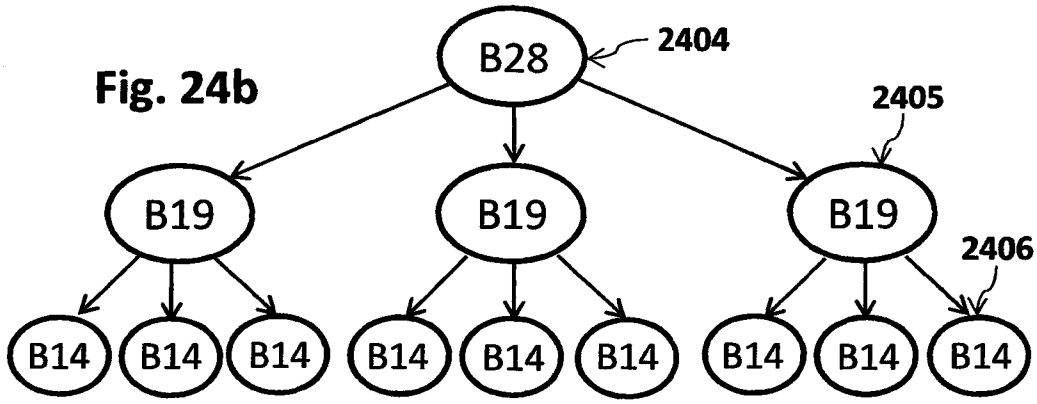


Fig. 24b



INTERNATIONAL SEARCH REPORT

International application No.
PCT/TH 17/00083

A. CLASSIFICATION OF SUBJECT MATTER
IPC(8) - G06Q 30/00 (2018.01)
CPC - G06Q 30/02, G06Q 30/00, G06Q 40/00, G06Q 10/06, G06Q 10/067

According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)
See Search History Document

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched
See Search History Document

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)
See Search History Document

C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
Y	US 2009/0150232 A1 (Tyler et al.) 11 June 2009 (11.06.2009) entire document especially Abstract, para [0003]-[0004], para [0012]-[0018]	1-3
Y	US 2017/0024767 A1 (Johnson et al.) 26 January 2017 (26.01.2017) entire document especially Abstract, para [0138]-[0141], para [0167]-[0173], para [0186]-[0194]	1-3
A	US 2008/0082422 A1 (Barrett) 03 April 2008 (03.04.2008) entire document	1-3

☐ Further documents are listed in the continuation of Box C. ☐ See patent family annex.

* Special categories of cited documents:
"A" document defining the general state of the art which is not considered to be of particular relevance
"E" earlier application or patent but published on or after the international filing date
"L" document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)
"O" document referring to an oral disclosure, use, exhibition or other means
"P" document published prior to the international filing date but later than the priority date claimed
"T" later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention
"X" document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone
"Y" document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art
"&" document member of the same patent family

Date of the actual completion of the international search	Date of mailing of the international search report
11 April 2018	15 MAY 2018

Name and mailing address of the ISA/US	Authorized officer:
Mail Stop PCT, Attn: ISA/US, Commissioner for Patents P.O. Box 1450, Alexandria, Virginia 22313-1450 Facsimile No. 571-273-8300	Lee W. Young PCT Helpdesk: 571-272-4300 PCT OSP: 571-272-7774

INTERNATIONAL SEARCH REPORT

International application No.
PCT/TH 17/00083

Box No. II Observations where certain claims were found unsearchable (Continuation of item 2 of first sheet)

This international search report has not been established in respect of certain claims under Article 17(2)(a) for the following reasons:

1. ☐ Claims Nos.:
because they relate to subject matter not required to be searched by this Authority, namely:

2. ☐ Claims Nos.:
because they relate to parts of the international application that do not comply with the prescribed requirements to such an extent that no meaningful international search can be carried out, specifically:

3. ☒ Claims Nos.: Claims 4-8
because they are dependent claims and are not drafted in accordance with the second and third sentences of Rule 6.4(a).

Box No. III Observations where unity of invention is lacking (Continuation of item 3 of first sheet)

This International Searching Authority found multiple inventions in this international application, as follows:

1. ☐ As all required additional search fees were timely paid by the applicant, this international search report covers all searchable claims.

2. ☐ As all searchable claims could be searched without effort justifying additional fees, this Authority did not invite payment of additional fees.

3. ☐ As only some of the required additional search fees were timely paid by the applicant, this international search report covers only those claims for which fees were paid, specifically claims Nos.:

4. ☐ No required additional search fees were timely paid by the applicant. Consequently, this international search report is restricted to the invention first mentioned in the claims; it is covered by claims Nos.:

Remark on Protest

☐ The additional search fees were accompanied by the applicant's protest and, where applicable, the payment of a protest fee.

☐ The additional search fees were accompanied by the applicant's protest but the applicable protest fee was not paid within the time limit specified in the invitation.

☐ No protest accompanied the payment of additional search fees.