



Audit of the Canadian Intellectual Property Office – Trademarks Branch Management Response and Action Plan

A – For inclusion in the report

The findings and recommendations of this audit were presented to the Commissioner of Patents, Registrar of Trade-marks and Chief Executive Officer of the CIPO, and the Director General, Trademarks Branch of the CIPO. Management has agreed with the findings included in this report and will take action to address all applicable recommendations by July 31, 2021.

B – For follow-up purposes – detailed actions to address the recommendations in the report

| Recommendation | Planned Action on the Recommendation | Responsible Official (position) | Target Completion Date |
|--|---|---|--|
| Recommendation 1 (Medium Risk): The Trademarks Branch should establish a formal branch-level risk management program, leveraging CIPO's Integrated Risk Management (IRM) Framework. | 1.1 A formal, branch-level risk management program (Trademarks Branch Risk Identification) was launched at a workshop held on February 5 th 2018. | Director General, Trademarks Branch | February 2018 |
| | 1.2 Mitigation strategies for Trademarks Branch are being developed. | Director General, Corporate Strategies and Services | May 2018 and ongoing activity |
| | 1.3 Risks and mitigation strategies will be reviewed on a quarterly basis at the branch and corporate levels as part of CIPO's Integrated Risk Management (IRM) Framework. | | Quarterly, starting Q1 2018-19 |
| Recommendation 2 (Medium Risk): The Trademarks Branch should strengthen its risk-based quality framework by consistently performing and documenting key quality control activities before results are communicated to clients. | 2.1 A Quality Framework for the examination function has been developed. 2.2 Shortly following the completion of the Audit, the Branch initiated quality control and quality assurance measures in April, 2017. Specifically a mandatory review of all | Director General, Trademarks Branch | April 2017 Ongoing quality control and assurance activities |

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Audit & Evaluation Branch

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| | <p>Approval Notices prior to correspondence being sent to clients and a quality assurance review of 10% of examiner's First Reports as part of the examination process.</p> <p>2.3 We will conduct a review in April 2018 using the data collected this past year to identify challenge areas for examiners. This review will inform a customized training program.</p> | | June 2018 |
| <p>Recommendation 3 (High Risk): The Trademarks Branch should establish a long-term plan, including recruitment and retention of Examiners and streamlining of operations, to address the existing backlog of application files, avoid future backlogs, and meet established service standards. As part of this plan, current service standards should be reviewed to ensure their continued relevance from both an operational and client satisfaction perspective.</p> | <p>3.1 <u>Develop a long-term improvement plan</u> Following a thorough review of the exam function, performance and required skill sets, a long-term plan has been developed. Informed by the establishment of a new production model, we can forecast application volume, inventory levels, turn-around time and required full-time employee capacity to improve quality and timeliness.</p> <p>3.2 <u>Recruitment and Retention:</u></p> <ul style="list-style-type: none"> • Complete the review of examiner job descriptions. • Develop Recruitment Plan and launch first cohort recruitment. • Begin onboarding of up to 30 examiners at the end of fiscal year 2018-19. <p>3.3 <u>Streamline Operations:</u></p> <ul style="list-style-type: none"> • Review the operations function value stream map to identify potential efficiencies in the registration process. | Director General, Trademarks Branch | <p>November 2017</p> <p>April 2018</p> <p>June 2018</p> <p>March 2019</p> <p>November 2018</p> |

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| | <ul style="list-style-type: none"> Conduct process improvement activities using Lean methodology following the accession to three trademark international treaties in early 2019. <p>3.4 <u>Address service standards:</u></p> <ul style="list-style-type: none"> Assess feedback from stakeholders based on recently launched client satisfaction questionnaire and engage the trademarks community with respect to quality issues and service standards. | | <p>Mid-2020</p> <p>April 2019</p> |
| <p>Recommendation 4 (Low Risk): The Branch should re-examine its new Examiner training program to ensure it continues to develop qualified resources, while also contributing to the timely processing of applications.</p> | <p>4.1 A review of our current Training and Development Program (TDP) was completed in March 2017.</p> <p>4.2 We have begun developing a new training program to ensure quality training is provided to new examiners who can become productive more rapidly; key deliverables include:</p> <ul style="list-style-type: none"> Streamline the training syllabus. Establish a new approach to coaching and continuous development. Expand training from its current focus solely on examiners to include all other areas of the Branch. | Director General, Trademarks Branch | <p>March 2017</p> <p>January 2019</p> <p>May 2018 June 2018</p> <p>March 2019</p> |
| <p>Recommendation 5 (Low Risk): The Branch should develop refresher training to support the consistency of application assessments, as well as the quality framework.</p> | <p>5.1 The data collected as part of the quality assurance initiatives was used to identify trends and areas for improvement and conduct refresher training.</p> | Director General, Trademarks Branch | April 2017 |

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| | <p>5.2 We have started conducting Examiner group refresher training. In addition, we deliver weekly Examiner individual feedback.</p> <p>5.3 With the implementation of the three trademark international treaties in early 2019, CIPO will develop refresher training for examiners and operational staff.</p> | | <p>February 2018 & ongoing activity</p> <p>June 2019</p> |
| <p>Recommendation 6 (High Risk): The Trademarks Branch should strengthen its controls to ensure its records management processes are adhered to on a consistent basis. As part of this, the Branch should develop and implement an electronic system of record for application files. In the short-term, the Branch should accelerate its adoption of scanning technology and integrate quality monitoring to ensure that data maintained within paper files are aligned to Examiner's Reports and Approval Notices.</p> | <p>6.1 A "back capture" digitization initiative towards implementing an electronic system for application files has been initiated through:</p> <ul style="list-style-type: none"> • Launch of a pilot project in June 2018 to ascertain business requirements, establish procedures and forecast project costs. • The digitization of 500,000 active files on a priority basis. • The continuation of the project with the goal of digitizing 800,000 inactive registered files. <p>6.2 We will launch a new IP Document File Management System in collaboration with CIO in late 2018 as part of CIPO's overall IT Modernization initiative towards becoming a paperless work environment.</p> | Director General, Trademarks Branch | <p>July 2018</p> <p>Digitization of <u>Active files</u> by December 2019</p> <p>Digitization of <u>Inactive files</u> by July 2021</p> <p>Launch September 2018</p> |