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# By Email (ic.cipo-consultations-opic.ic@canada.ca)

PROPERTY LAW

Canadian Intellectual Property Office Place du Portage I 50 Victoria Street, Room C-114 Gatineau. Québec K1A 0C9

Attention: Ms. Johanne Bélisle, CEO and Commissioner of Patents

Mr. Todd Hunter, Director - Copyright and Industrial Design Branch

Mr. Alan Troicuk, Senior Counsel – ISED Canada

Dear CIPO Colleagues:

### Re: Proposed New Industrial Design Regulations

Thank you for inviting comments on the proposed new *Industrial Design Regulations*. For the most part, the new *Regulations* and the new *Industrial Design Act* will be very welcome by our professionals and our clients. However, we wish to bring to your attention a number of issues that we consider should be addressed.

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## Novelty

The new *Act* defines novelty based on no prior disclosure of "the same design, or a design not differing substantially from it". It also indicates that such a design destroys novelty if it is applied to the same finished article or an "analogous" finished article. Unfortunately, neither the new *Act* nor the proposed new *Regulations* provide any objective criteria for assessing whether a previously disclosed design does or does not "differ substantially" from a design in an application, or whether a previous design was applied to an article that is "analogous" to the article identified in the application.

Whereas section 11 of the *Act*, dealing with infringement, expressly indicates that "in considering whether differences are substantial, the extent to which the registered design differs from any previously published design may be taken into account", the novelty definition has no such provision.

The novelty requirement of the new *Act* also requires that the same design or a design not differing substantially from it not have been disclosed in an earlier filed Canadian design application. Section 31 of the proposed new *Regulations* adds the limitation that disclosure in an earlier Canadian design application does not destroy novelty if the earlier application was filed within 12 months by the same applicant or a predecessor in title.

This is intended to prevent so-called "self-collision" by an applicant who files applications for similar designs on different dates. However, it also appears to allow an applicant to file two or more applications for the same design and potentially obtain multiple registrations that together would extend the term of protection beyond the maximum contemplated by the new *Act*.

# **Application Requirements**

The current *Regulations* stipulate that the required drawings or photographs must show the article in isolation; however, where there are multiple views, one view may show environment in stippled lines.

In contrast, section 14(d) of the proposed new *Regulations* sets out that the required representation must "include at least one photograph or reproduction that shows the design in isolation or the finished article in isolation". This implies that environment could be shown in multiple views provided that there is one view with no environment. If this is not an intended change, revision of the text should be considered.

Section 17 of the proposed new *Regulations* will establish a presumption that "an application is deemed to relate to *all of the features* of shape, configuration, pattern or ornament" shown in the representation of the design, as well as setting out exceptions to the presumption. However, if it is intended that the presumption and the exceptions will also apply to an issued registration, this should be made clear, for example, the presumption could refer to "the design contained in an application" instead of just "an application".

## **Amendments to Applications**

Section 25(2) of the proposed new *Regulations* preserves the principle that an application can be amended before it has issued to registration, provided that the amendment does not "substantially" alter the design. Unfortunately, the new *Regulations* also preserve the problem of not having any objective standard for assessing whether an amendment "substantially" changes the design.

This problem is similar to the problem mentioned above relating to novelty, and it is also found in the definition of "variants".

Another related problem exists in section 25(3) of the proposed new *Regulations* with respect to changing the name of the article to which a design application pertains to a "substantially different article" if the application has been published.

A particularly problematic area is found in section 25(2)(b) which prohibits an application from being amended "to add a representation of a design". It would appear that the proposed new limitation may prohibit an applicant from adding an additional view, or changing photographs to drawings or *vice versa*, even when no new matter would be added. Both practices are currently permitted. Although CIPO's consultation document indicates that the intent of this provision may be only to prevent the addition of a representation that shows a different design or new features, the text of section 14 does not appear to be consistent with this.

There also does not appear to be any good reason to have the limitation provided by section 25(2)(e) in requiring that a claim for divisional status be submitted within three months.

#### **Fees**

Section 39 of the proposed new *Regulations*, which authorizes the Minister to waive the payment of a fee, is somewhat puzzling. It would be less puzzling if some examples were provided of the type of circumstances that may justify such a fee waiver.

#### Other issues

In reviewing the proposed new *Regulations*, it has also come to our attention that there appears to be a drafting inconsistency within the new *Act* which we also wish to bring your attention.

Section 4 of the *Act* sets out that it is the "proprietor of a design" who may apply to register the design, and section 12 of the *Act* establishes that the "author" is the first proprietor, unless he has executed the design for another person for good and valuable consideration in which case the other person is the first proprietor.

However, section 7(c) indicates that a design is registrable only if it was "created by the applicant or the applicant's predecessor in title".

New designs are commonly created by employees or by contract designers, and the first proprietor of the design is the company for whom they work or by whom they were hired on contract. Absent a transfer, it is that company who has the right to apply to register the design under section 4. However, that company did not create the design itself, nor was the design created by a predecessor in title of that company. Therefore, it appears that such a design is unregistrable under section 7 to the only possible applicant who may register the design.

The problem would appear to arise whenever a design has been created by someone who is not the first proprietor.

#### Conclusion

While we have pointed out several issues that we consider require attention, we wish to repeat our comment that the changes set out in the new *Act* and proposed new *Regulations* are mostly viewed as steps in the right direction. We also wish to again express our gratitude to CIPO for entertaining comments as part of its public consultation process.

Yours truly,

Bereskin & Parr LLP/S.E.N.C.R.L., s.r.l.

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