

July 16, 2021

RE: Reply to CIPO Consultation

Dear Mr. MacMillan,

I am a registered Canadian Patent Agent, and I am writing to provide my personal comments on proposed changes to the Canadian *Patent Rules* published in Canada Gazette, Part I, Volume 155, Number 27. In particular, I would like to comment on the proposal to introduce excess claims fees payable at the time of the examination request.

I am concerned that the proposal mischaracterizes the motivation of a significant proportion of applicants who present larger claim sets for examination and fails to consider the legitimate reasons for doing so, *i.e.*, to ensure that right at not imperiled if a divisional application is filed.

The following text appears in the proposal under the subheading “Issues”:

CIPO has observed that applications with larger claim sets tend to result in prolonged and more inefficient examination. Without excess claims fees, applicants are not sufficiently encouraged to limit the number of claims in patent applications to a reasonable number that is optimized to be processed efficiently. Currently, applicants are encouraged to take advantage of the fact that there are no excess claims fees in Canada by filing large claim sets. Applicants are exploiting flexibilities in the Canadian system that are not available in other jurisdictions and, in view of the new PTA obligation, are no longer desired in Canada.

[emphasis added]

The idea that all applicants who file large claim sets are “exploiting” the Canadian system is simply incorrect. In fact, the following aspects of Canadian patent law make the filing of larger claim sets a necessity in many cases:

1. **Canada has an obviousness standard for double patenting**, meaning that the claims of granted patents must be patentably distinct (*i.e.*, non-obvious) in view of one another.¹² This standard differs from that of most other jurisdictions, most notably Europe, in which only a novelty standard prevails. Under the novelty or “same invention” standard, double patenting only arises when claims are conterminous or overlap. Overlapping subject matter is easily assessed by applicants, whereas the question of what constitutes

¹ *Farbwerke Hoescht AG cormals Meister Lucius & Bruning v Canada (Commissioner of Patents)* (1963), 41 CPR 9 (SCC), rev’d (1962), 41 CPR 9 (Ex Ct).

² *Whirlpool Corp v Camco Inc* 9 CPR (4th) 129 (SCC).

a separate invention under the obviousness-type double patenting standard is much more nuanced and difficult for applicants to assess.

2. Canada lacks any legal provision, such as terminal disclaimer, to easily dispense with double patenting situations after they arise. While the U.S. has a similar obviousness standard to Canada, it is possible in the U.S. to address double patenting simply by filing a terminal disclaimer with the U.S. Patent and Trademark Office. In Canada, the courts have confirmed that a disclaimer is insufficient to dispense with double patenting.^{3,4}

3. The Supreme Court of Canada (SCC) has linked patent validity to the assessment of unity undertaken by an examiner during examination. The SCC has affirmed that there can be no double patenting when a divisional application is forced by a unity objection.⁵ This is explained in CIPO's Manual of Patent Office practice in Section 18.06.04. Accordingly, having a unity objection on the record that considers all subject matter at the outset of examination can be critical for mitigating double patenting risk.

The combination of these three factors makes the state of the law in Canada unique internationally. There is a heightened standard for double patenting, yet no mechanism to circumvent double patenting but for an examiner's prior assessment during examination.

The proposal correctly notes that the flexibility to present a large claim set is not available in most other jurisdictions. However, this flexibility is not required elsewhere due to (i) a much lower threshold for double patenting or (ii) the availability of terminal disclaimer to resolve double patenting when it arises.

In order to avoid double patenting in Canada, a prudent applicant should have all claims of interest assessed for unity by an examiner, preferably at the outset of examination. Far from "exploiting flexibilities", many applicants who file larger claim sets are merely using an SCC-endorsed mechanism to mitigate double patenting risk that is entirely peculiar to Canada.

The imposition excess claims at examination both reduces access to and discourages the assessment of unity. Without this assessment on record for all claims of interest, a double patenting attack would be available, in principle, whenever a divisional application is filed. It would be undesirable to promote the creation of a tier of "second class" Canadian patents with lingering questions over validity.

Faced with this situation, Applicants may opt not to file divisional applications, which could impact commercialization in the Canadian market.

³ *GlaxoSmithKline Inc et al v Apotex Inc et al* (2003), 27 CPR (4th) 114 (FCTD).

⁴ *Bayer Inc v Canada* (Minister of National Health and Welfare) (1998), 154 FTR 192, 82 CPR (3d) 359, affirmed (2000) 6 CPR (4th) 285 (FCA)

⁵ *Consolboard Inc v Macmillan Bloedel (Saskatchewan) Ltd* (1981) 56 CPR (2d) 145 (SCC) at page 169.

Perhaps most importantly, the imposition of excess claims fees sends entirely the wrong message about the state of the law in Canada and associated best practices.

It is my respectful view that the very unique state of the law in Canada makes the imposition of excess claims fees at the time of the examination request inappropriate. Procedural efficiency and expediency should not be prioritized at the expense of patent validity.

Yours Very Truly,



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