



Date December 31, 2018

By Email: [ic.cipo-consultations-opic.ic@canada.ca](mailto:ic.cipo-consultations-opic.ic@canada.ca)

**RE: Comments in respect of proposed amendments to the *Patent Rules* (the Rules) published in Part I of the Canada Gazette on December 1, 2018**

Dear Colleagues:

FICPI Canada is pleased to have the opportunity to provide comments in connection with your consultation on changes to the Patent Rules for which you seek comments by December 31, 2018.

FICPI (Federation Internationale des Conseils en Propriete Intellectuelle) has a total membership of over 5000 intellectual property attorneys in private practice in over 86 countries around the world.

FICPI Canada is a self-governing national association of FICPI. FICPI Canada represents not only the interests of Canadian patent and trade mark professionals but also our clients who span all technologies, commercial fields and sizes. FICPI has a long history of study and work aimed at improving IP systems for applicants nationally and globally.

Our membership includes senior professionals at most major intellectual property firms who are responsible for filing the vast majority of patent and trade-mark applications that are submitted to the Canadian IP Office each year. Our members' clients represent all types and sizes of businesses, including multinational corporations, small and medium size enterprises, and individuals.

In addition to professional activities, many of our members take the time to participate in training and continuing education in intellectual property protection. Our members are held to the highest standards of the profession of industrial property agents and attorneys on an international scale and follow a strict code of professional conduct. We currently have about 100 members in Canada.

FICPI Canada participated in a technical review of proposed amendments to the Patent Rules held at the Patent Office in June 2017 and provided written comments in connection with the previous consultation on changes to the Patent Rules on September 8, 2017. The current proposed changes to the Rules address a number of concerns raised by stakeholders in the previous consultation. To the extent our previously submitted comments remain applicable to the current proposed changes to the Rules, FICPI Canada reiterates its earlier submissions.

## **Context**

The proposed Rules include a helpful REGULATORY IMPACT ANALYSIS STATEMENT, that includes objectives for the regulations:

### **Objectives**

The primary objective of the proposed Rules is to implement amendments that were made to the Act in order to allow Canada's ratification of the PLT. This would reduce regulatory burden and red tape and increase certainty for applicants by harmonizing Canada's patent regime with international norms. The proposed Rules would ensure that Canada's patent regime is responsive to the needs of inventors, businesses and the public.

A second objective is to modernize Canada's patent regime by updating, clarifying, codifying and improving aspects of the regulatory framework.

The proposed Rules contribute to the Government's IP strategy, which seeks to ensure that Canada's IP regime is modern and robust and that Canadian entrepreneurs better understand and protect their IP.

Generally, we consider these laudable objectives and many of the proposed changes will reduce regulatory burden, harmonize Canada's patent regime with international norms and improve aspects of the regulatory framework. However, some of the proposed changes are inconsistent with these objectives as detailed further below.

The Canadian Patent system is a relatively small player, ranking 9th in terms of the number of patent applications filed each year. In view of this position on the global stage, it is imperative that the Canadian patent system employ administrative procedures that make the entire experience of obtaining and maintaining a Canadian patent a reasonably simple one.

The majority of our comments focus on the correction of errors and these provisions are discussed first. The second part of this submission provides specific comments on various provisions.

### **1. Correction of Errors**

FICPI Canada is disappointed that Section 8 of the Patent Act relating to correction of clerical errors has been revoked and generally speaking the Rules should provide a broad ability for applicants to correct both obvious and clerical errors consistent with international norms. In this regard, we note that stakeholders in response to the previous consultation advocated for a broader and less time restrictive ability to correct errors (consistent with international norms).

The REGULATORY IMPACT ANALYSIS STATEMENT to the proposed Rules provides as follows:

From time to time, a patent application or a patent can contain errors due to an oversight by the applicant or patentee or by the Office. Provisions in the Act allowing for the correction of "clerical errors" were repealed in order to be replaced with new provisions in the Rules concerning the correction of "obvious errors." An obvious error means that what was written in the document is

obviously not what was intended and that the requested correction is what was obviously intended. This change is intended to provide more flexibility to applicants and patentees, as “clerical error” has been interpreted fairly narrowly by the courts, and to align with corresponding provisions for trademarks and industrial designs.

While the intent may be to provide more flexibility, in practice, the implementing rules will not achieve this and will place a significant burden on patentees.

Other jurisdictions offer appropriate mechanisms for correcting patents. With the repeal of the general power to effect clerical error corrections, patentees have been left with two systems for correcting patents in Canada: re-examination and reissue, both of which are only available under limited circumstances and are time consuming and costly procedures.

The REGULATORY IMPACT ANALYSIS STATEMENT provides that the proposed change “is intended to provide more flexibility to applicants and patentees, as “clerical error” has been interpreted fairly narrowly by the courts, and to align with corresponding provisions for trademarks and industrial designs.” As discussed further below, in our view, aligning the rules for correcting errors within the patent system with that provided for trademarks and industrial design is inappropriate. Further, the proposed system will not increase flexibility for applicants over the former “clerical error correction” system in many cases. Not all clerical errors are obvious on their face. “Clerical error” has indeed been interpreted fairly narrowly by the courts but this is because, importantly, it is not necessarily limited to errors that are obvious and where it is obvious that something else was intended. Clerical error is narrow because it is the nature of the error which is important; providing for the correction of clerical errors allows for relief when minor mechanical errors are inadvertently introduced such that documents do not reflect the intent of the patentee nor were they in a technical sense authorized by the patentee.

Errors in patents are most often identified when they are carefully considered in anticipation of litigation or a transaction. A 6 month window of correction is ostensibly to require patentees to identify errors early. Currently, while there might be a cursory review of granted patents for e.g. misprinted pages, as a general practice patentees do not undertake a detailed and methodical review of granted patents; requiring them to do so places a significant and costly new burden on applicants that is inconsistent with the Objectives of the proposed Rules.

Limiting the ability of a patentee to correct patents only within a time limited window is also contrary to the objective of harmonizing Canada’s patent regime with international norms because it is inconsistent with the practices of other major patenting jurisdictions. We invite the Office to consider e.g. United States patent 35 U.S.C. 255<sup>1</sup> or Australian Patent Act section 102, which excludes certain amendments to patents and places time limits thereon but provides in subsection (3): “This section does not apply to an amendment for the purposes of: (a) correcting a clerical error or an obvious mistake made in, or in relation to, a complete specification” and subsection 104(1)(b) that provides for correcting a clerical error or an obvious mistake with leave of the Commissioner.

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<sup>1</sup> Certificate of correction of applicant’s mistake.

Whenever a mistake of a clerical or typographical nature, or of minor character, which was not the fault of the Patent and Trademark Office, appears in a patent and a showing has been made that such mistake occurred in good faith, the Director may, upon payment of the required fee, issue a certificate of correction, if the correction does not involve such changes in the patent as would constitute new matter or would require reexamination. Such patent, together with the certificate, shall have the same effect and operation in law on the trial of actions for causes thereafter arising as if the same had been originally issued in such corrected form.

We acknowledge that the opportunity to make corrections to European patents may be more limited, but this reflects the fact that this is a different system. Currently, the European patent is not enforceable per se, rather the validated grants in individual countries are enforceable. In this regard, we invite the Office to consider the following notice regarding jurisdiction of the EPO after grant [https://www.epo.org/law-practice/legal-texts/html/caselaw/2016/e/clar\\_ii\\_e\\_4\\_3.htm](https://www.epo.org/law-practice/legal-texts/html/caselaw/2016/e/clar_ii_e_4_3.htm). The European system is not an appropriate model for Canada.

The REGULATORY IMPACT ANALYSIS STATEMENT provides that “changes are required to codify procedures that are currently contained in practice notices, align certain rules with comparable provisions in the Trade-marks Regulations and the Industrial Design Regulations (e.g. provisions concerning the correction of obvious errors...”. Patents, trade-marks and industrial designs are designed to protect different types of rights and have different underlying policy rationales. Further, patents are highly technical documents different in nature to trade-marks and industrial designs. In this regard, harmonization with international norms and fairness to applicants and patentees should supersede any desire to align different Canadian intellectual property regimes.

Consistent with international norms, the Commissioner should be able to correct obvious or clerical errors in a patent at any time.

We propose some specific amendments to the relevant proposed Rules below.

#### **Section 104**

Proposed section 104 requires the Commissioner to correct the applicant name prior to the earlier of (a) the day on which the application becomes open to public inspection at the Patent Office, and (b) if the Commissioner records a transfer of the application under section 49 of the Act, the day on which the Commissioner received the request to record that transfer, provided that certain conditions are met. It is not clear if after the earlier of these dates the Commissioner retains discretion to correct the identity of the applicant.

It should be open to correct the identity of the applicant up until payment of the final fee.

Accordingly, we recommend that section 104 be amended to provide:

An error in the name of an applicant in an application for a patent, other than a PCT national phase application, that arises from inadvertence, accident or mistake, without any fraudulent or deceptive intention, must be corrected by the Commissioner on the request of the person who submitted the application on their own behalf or on behalf of the applicant, if the request contains a statement to the effect that the error arose from inadvertence, accident or mistake without any fraudulent or deceptive intention and the request is made on or before the day on which the final fee set out in item 13 of Schedule 2 is paid or, if the final fee is refunded, on or before the day on which the final fee is paid again.  
~~not later than the earlier of~~

~~(a) the day on which the application becomes open to public inspection at the Patent Office, and~~

~~(b) if the Commissioner records a transfer of the application under section 49 of the Act, the day on which the Commissioner received the request to record that transfer.~~

In this regard, we note that under proposed section 105, the time limit for requesting a correction to the identity of inventors is “before the day on which a notice of allowance is sent”. We note that identifying a mistake in the identity of inventors can be correlated with identifying a mistake in the identification of the applicant. If the concern is that a change in the identity of the applicant might impact examination for the purposes of double patenting, we note that that a change of applicant identity at the end of examination would be a very rare occurrence and it remains possible to reopen examination after the notice of allowance is sent.

### **Section 108**

It should be open for a Commissioner to correct an error introduced by the Commissioner at any time. We recommend that proposed subsection 108(1) be amended as follows:

108 (1) The Commissioner may, on his or her own initiative ~~within six months~~ after the day on which a patent is issued under the Act, or on the request of the patentee ~~made within that period~~, correct an error made by the Commissioner in the patent or in the specification or drawings referenced in the patent if, from the documents that were in the possession of the Patent Office on that day, it is obvious ~~both~~ that something other than what appears in the patent, specification or drawings was intended, ~~and that nothing other than the correction could have been intended.~~

### **Section 110**

As detailed above, in order to be consistent with international practice, a patentee should be able to seek correction of obvious or clerical errors throughout the life of a patent. Further, we agree with IPIC’s previous submission that it is unclear why reference should be to a person of skill in the art and question why it should be limited to a consideration of the specification and drawings, when e.g. the prosecution history is available to the public.

We recommend that proposed subsection 110(1) be amended as follows:

110 (1) On the request of the patentee, made in accordance with subsection (2), ~~not later than six months~~ after the day on which a patent is issued under the Act, and on payment of the fee set out in item 24 of Schedule 2, the Commissioner must correct

(a) an error in the name of the patentee or an inventor included in the records of the Patent Office in respect of that patent, if the correction does not change their identity; or

(b) an error in the specification or drawings ~~referenced in~~ of the patent, if from the specification or drawings ~~referenced in the patent~~ at the time the patent was issued or documents relating to the patent that were in possession of the Patent Office on the day on which the patent issued under the Act it would have been ~~obvious to a person skilled in the art or science to which the patent pertains that~~

something other than what appears in the specification or drawings was intended and that nothing other than the correction could have been intended.

We also strongly recommend that a general section providing the Commissioner with discretion to correct a clerical error in a patent be included in the final rules.

## 2. Miscellaneous Provisions

### Subsection 86(9)

Proposed subsection 86(9) provides that if during the review of a rejected application for a patent, the Commissioner has reasonable ground to believe that the application does not comply with the Act or Rules in respect of defects other than those indicated in the final action notice, the Commissioner must by notice inform the applicant of those defects and invite the applicant to submit arguments, not later than one month after the date of the notice, as to why the application does comply.

A one month period of time for reply is very short. The current corresponding subsection 30(6.1) provides “within the time specified by the Commissioner”. Replying to a notice of defect will usually require: receipt and processing within the office of applicant’s patent agent; transmission of the report of the new defect to the applicant and processing within the applicant’s office; and co-ordinated activity to develop a strategy for reply. One month is simply not enough time for anything other than a minor informality, particularly as the defect identified is a new defect not previously considered. We recommend either that there remain flexibility in the time provided as per the current corresponding rule or that at least 3 months be provided for reply.

### Section 102

Proposed section 102 provides that “[a]n amendment by the applicant to the specification or drawings contained in an application for a patent must be made by submitting a new page to replace each page altered by the amendment and a statement explaining the purpose of the amendment and **identifying the differences between the new page and the replaced page.**” [emphasis added]

The corresponding current rule 34 provides that amendments “shall be accompanied by a statement explaining their nature and purpose”.

We believe the more general current language is preferable. This proposed Rule suggests that marked-up versions of amendments must be provided for every page amended in order to identify each difference. While this is common practice in jurisdictions where the Patent Office takes on the task of consolidating amendments and preparing a formal printed version of the patent, where, as here, the Office leaves the responsibility of creating the final version of the document with the applicant, this seems an unnecessary burden on the applicant and on the Office, which will have to scan these additional marked-up pages. To give a simple example, under the current system, an applicant might simply state that the description pages are amended to remove statements of incorporation by reference. The proposed Rule suggests that mark-ups of each of these pages would be required. This would increase the administrative burden on both the applicant and the Office.

## Section 128

Proposed section 128 provides:

The Commissioner must not record the transfer of an application for a patent under subsection 49(2) of the Act if the request to record the transfer is submitted after the day on which the final fee set out in item 13 of Schedule 2 is paid or, if the final fee is refunded, after the day on which the final fee is paid again.

We do not think this section is advisable. Current rule 41 provides that “[a] patent shall not be granted to a transferee of an application unless the request for registration of the transfer is filed on or before the date on which the final fee is paid...” While it might be appropriate to provide that a transfer will not be reflected in the grant of a patent, we do not think it is appropriate to have a window in which the Office is not permitted to record transfers. In particular, the recording of a transfer can be a condition precedent for the completion of a transaction.

We recommend this proposed Rule be withdrawn.

## Section 140

Proposed subsection 140 provides for the refund of fees. Current rule 4(10) provides that a final fee shall be refunded if (b) a request for its return is received before the start of technical preparations for issue. There is no corresponding provision in new section 140. There can be significant implications to the granting of a patent in Canada, including, importantly, coming within the jurisdiction of the Patented Medicines Prices Review Board. We recommend that the existing small window of opportunity for seeking a refund be retained, which can enable a mistakenly submitted final fee to be withdrawn.

## Subsection 195(3)

Proposed subsection 195(3) provides that “[a]n error in a filing date submitted under subsection 28.4(2) of the Act in relation to a request for priority in respect of a category 3 application may be corrected on request submitted before the earliest of” three time periods (a), (b) and (c). We propose that this be amended to the “later of” (a), (b) and (c). For example, if the error in the filing date was in the year of the priority application and specified an earlier year, there could be no opportunity to correct under any circumstance. The proposed change is shown below:

195 (3) An error in a filing date submitted under subsection 28.4(2) of the Act in relation to a request for priority in respect of a category 3 application may be corrected on request submitted before the ~~earliest of~~ later of

(a) the end of the period referred to in subsection (1), as determined using the corrected filing date,

(b) the end of the period referred to in subsection (1), as determined using the uncorrected filing date, and

(c) if applicable, the day on which the applicant submits their approval, under subsection 10(2) of the Act, for the category 3 application to be open to public inspection before the end of the confidentiality period, unless that approval is withdrawn in time to permit the Commissioner to stop the technical preparations to open the application to public inspection.

FICPI Canada wishes to thank CIPO for the opportunity to provide these comments and invites CIPO to contact the undersigned should it have questions about them.

Yours truly,

FICPI Canada

per Coleen Morrison, President