



Innovation, Science and
Economic Development Canada
Canadian Intellectual Property Office

Innovation, Sciences et
Développement économique Canada
Office de la propriété intellectuelle du Canada

Canada

2021–2022 Annual Report

Canadian Intellectual Property Office



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Message from the CEO



Konstantinos Georgaras
Chief Executive Officer

Fiscal year 2021–2022 marked the last year of CIPO’s 2017–2022 Five-Year Business Strategy. It was a year to take stock and celebrate our successes, but also to ponder the future. The pandemic has shaped our collective behaviours and expectations and has served as an accelerator for technological and socio-economic change that was already in motion. Canada’s adherence to international IP treaties and the increasing value of intangible assets have led to a surge in demand for IP protection. Innovation is becoming more complex and global in nature and, in turn, so are IP rights. Clients have come to count on online services and transactions that are fast, seamless and on-demand. CIPO staff have adapted to a remote work environment supported by technology and tools that allow them to do their jobs effectively and efficiently. As we concluded the final year of our 5-year business strategy, the changes to our operating environment have set the backdrop to establish new priorities for the next 5 years and bring CIPO into the future.

In 2021–2022, CIPO continued to focus on improving the timely delivery of quality IP rights and services. Following an external audit of our patent processes, we successfully maintained our ISO 9001:2015 certification, demonstrating our commitment to quality and continuous improvement. To address CIPO’s growing inventory of trademark applications and reduce turnaround times, we implemented a recovery plan to increase productivity and improve pendency at all stages of the registration process. Initiatives such as the expansion of the Goods and Services Manual and new machine-learning solutions are showing early positive results.

CIPO also made great strides to provide convenient and seamless e-services, putting clients at the heart of service improvements. In April 2021, CIPO became one of the first IP offices in the world to issue entirely electronic patents! A new trademarks e-service platform featuring automated and self-serve transactions was also introduced. To both modernize and extend the reach of our IP awareness and education services, we pivoted to digital and virtual approaches. We introduced new tools and resources, including a new podcast series titled Canadian IP Voices, where IP professionals and stakeholders discuss IP issues and provide tips and tricks for navigating the IP process.

As CIPO aims to become a more data-driven organization, we are enhancing the stewardship and governance of our data and continuing to expand our evidence base. In collaboration with the National Research Council of Canada, CIPO published a report titled Patenting to Fight Pandemics, bringing to light Canadian patented inventions in the fields of therapeutics and vaccine development, rapid detection and diagnosis and digital health. We also hosted our 5th Annual IP Data and Research Conference, disseminating leading IP research to an international audience of IP stakeholders, economic researchers and policy thinkers.

As pandemic and travel restrictions persisted in 2021–2022, CIPO made the most of virtual tools to engage and collaborate with key international stakeholders, share best practices and promote Canadian IP interests. Domestically, CIPO partnered with leading IP organizations in Canada to create the IP Village, an initiative to help Canadian small and medium-sized enterprises (SMEs) better understand, use and leverage IP. Continued collaboration with our international and domestic stakeholders will help ensure the ongoing provision of services that meet the needs of Canadian innovators and businesses.

In June 2021, as part of the Government of Canada Intellectual Property Strategy, the College of Patent Agents and Trademarks Agents was established to regulate the patent and trademark agent profession. This was an important step in advancing Canada's IP ecosystem by modernizing the professional oversight framework of patent and trademark agents, and CIPO's expertise and assistance helped ensure a successful transfer of responsibilities.

2021–2022 marked CIPO's second year operating in a pandemic environment, and with a majority of our employees continuing to work remotely. CIPO staff have demonstrated their agility, resilience and professionalism, and provided excellent and uninterrupted services in these challenging times.

The past 2 years have shown us that we can be nimble and innovative in the face of adversity and are able to overcome any challenge the future may bring. Looking to the future, we have begun to lay the groundwork for a modern and flexible workplace, one that will foster creativity, work–life balance, inclusion and well-being. To ensure our ongoing sustainability, we also initiated a comprehensive review of our fee structure that will set the foundation for us to serve our clients with excellence and efficiency, now and for years to come.

About CIPO

CIPO is a special operating agency of Innovation, Science and Economic Development Canada (ISED) and is responsible for administering and processing IP in Canada. We have more than 1,000 employees and operate under a revolving fund authority. Our accountabilities are maintained through this annual report to Parliament as well as an annual private-sector financial audit and our client service standards.

Areas of activity



Patents

A patent is a legal right to prevent others from making, using or selling an invention for up to 20 years. The invention can be:

- a product (e.g. a door lock)
- a chemical composition (e.g. a chemical composition used in lubricants for door locks)
- a machine (e.g. a machine that makes door locks)
- a process (e.g. a method for making door locks)
- an improvement on any of these



Trademarks

A trademark is used to distinguish the goods or services of a person or an organization from those of others. It can be any of the following, or a combination thereof:

- words
- designs
- tastes
- textures
- moving images
- modes of packaging
- holograms
- sounds
- scents
- three-dimensional shapes and colours

A registered trademark provides exclusive rights to use the trademark for 10 years (a term that is renewable) and protects it under the law from misuse by others.



Industrial designs

An industrial design comprises the visual features of shape, configuration, pattern or ornament, or any combination of these features applied to a finished article. In other words, it is about how something looks. An industrial design registration provides exclusive rights for up to 15 years and protects a product's unique appearance.



CANADIAN INTELLECTUAL PROPERTY OFFICE



Copyright

Copyright is the exclusive legal right to produce, reproduce, sell, license, publish or perform any of the following, as long as it is an original:

- literary work
- artistic work
- dramatic work
- musical work
- sound recording
- communication signal
- performance

Unlike other IP rights, a copyright subsists in an original work from the moment it is created. As of December 30, 2022, the general duration of copyright protection is life of the author, plus 70 years after their death, up from 50 years. In Canada, a certificate of registration of copyright is evidence that copyright exists and that the person registered is the owner.



Geographical indications

A geographical indication is used on a product (i.e. wine, spirits, agricultural products, food) that has a specific geographical origin and possesses qualities or a reputation attributable to that origin. The term of protection for a geographical indication is indefinite.

Business priorities

CIPO’s 2017–2022 Five-Year Business Strategy articulates a clear vision of how we can contribute to Canada’s innovation and economic success, lays out the results we seek to achieve for our clients and shows where we want to be as an organization.

Figure 1: CIPO’s 2017–2022 business priorities



2021–2022 by the numbers

Patents

39,709 applications ↑ 7%

Number of applications by sector

- ▶ Chemistry: 13,329 ↑ 1%
- ▶ Electrical engineering: 6,428 ↑ 9%
- ▶ Instruments: 6,757 ↑ 11%
- ▶ Mechanical engineering: 8,356 ↑ 15%
- ▶ Other fields: 4,839 ↑ 8%

29,737 requests for examinations ↑ 5%

19,525 grants ↑ 13%

↑ Increase from 2020–2021

↓ Decrease from 2020–2021

Figure 2: 2021–2022 top patent applicants

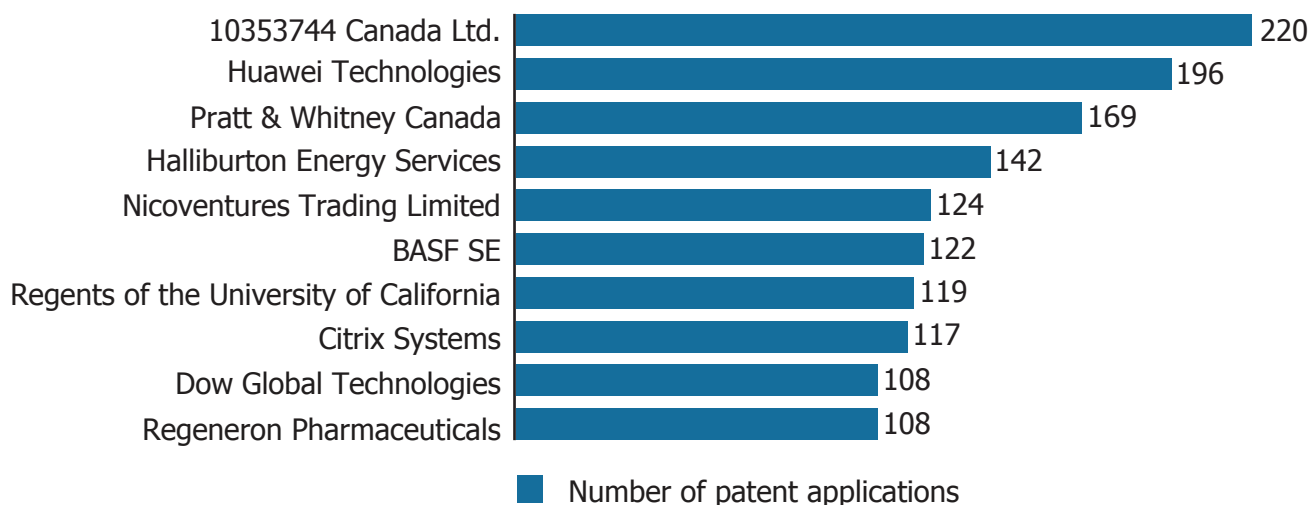
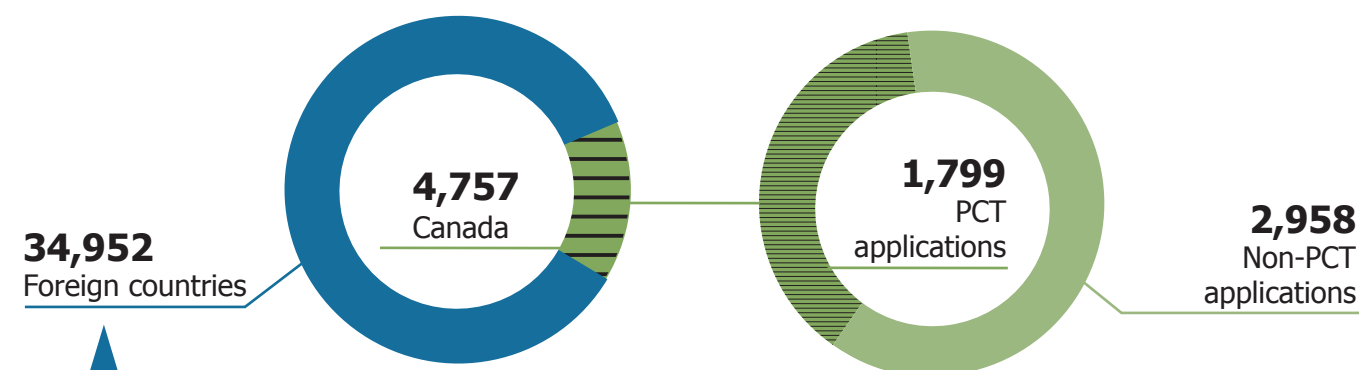
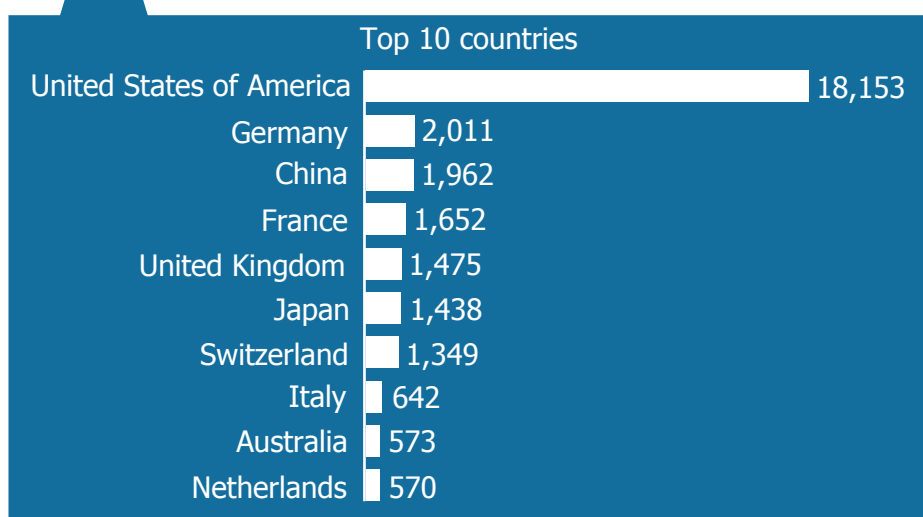


Figure 3: Country of origin of patent applications



*PCT = Patent Cooperation Treaty



CIPO received 2,276 International Searching Authority applications and 176 International Preliminary Examination Authority applications.

Patent appeals

36 rejected patent applications received at the Patent Appeal Board (PAB) ↓ 31%

54 Commissioner's decisions rendered by PAB ↑ 15%

↑ Increase from 2020–2021

↓ Decrease from 2020–2021

Trademarks

79,808 applications

↑ 5%

Types of marks

- ▶ Standard characters: 52,812
- ▶ Colour: 153
- ▶ Three-dimensional: 108
- ▶ Mode of packaging goods: 12
- ▶ Position: 23
- ▶ Motion: 7
- ▶ Design: 26,496
- ▶ Multi-type: 151
- ▶ Taste: 10
- ▶ Sound: 6
- ▶ Texture: 22
- ▶ Hologram: 8

27,265 registrations

↑ 28%

↑ Increase from 2020–2021

Figure 4: 2021–2022 top trademark applicants

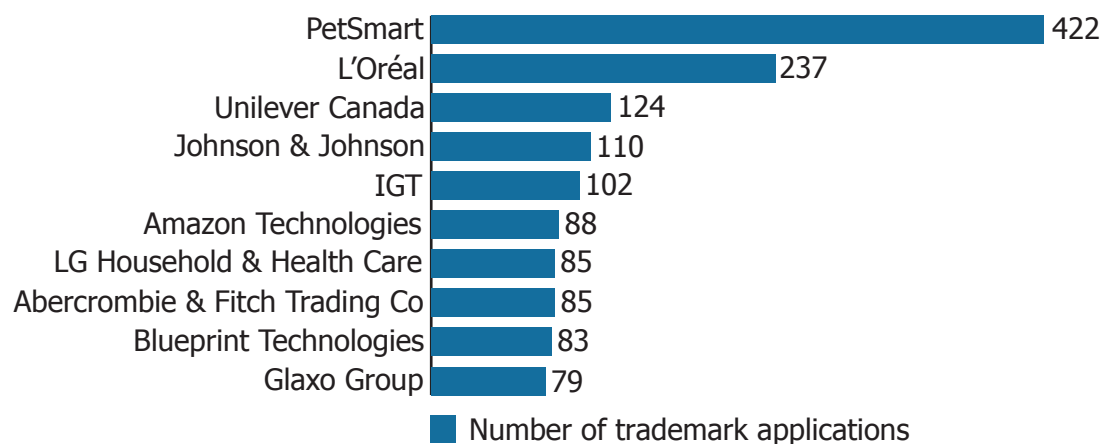
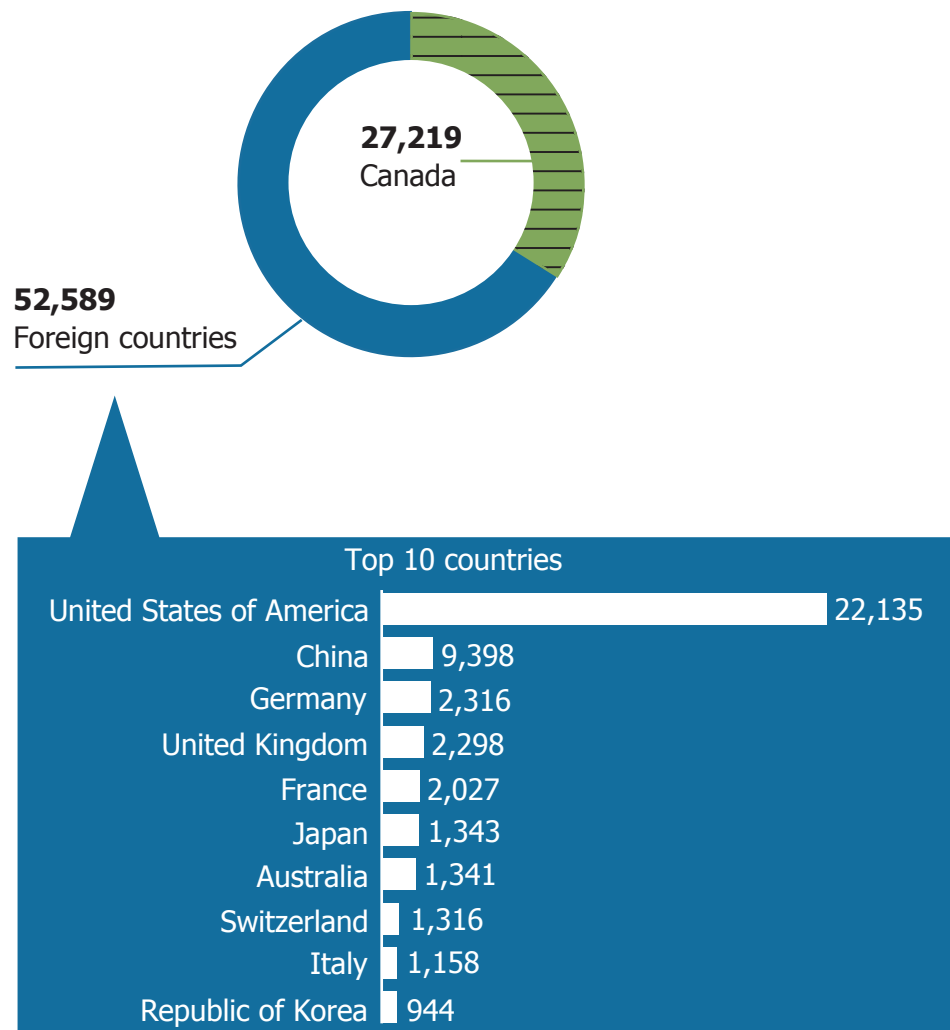


Figure 5: Country of origin of trademark applications



Use of the Madrid Protocol

Between April 2021 and March 2022, CIPO received 24,713 international trademark applications filed through the Madrid System. As an office of origin, CIPO certified 1,109 trademark applications for international registration.

Trademarks oppositions

610 oppositions ↑ 32%

▶ 87% resolved through settlement negotiations between parties

▶ 49 opposition hearings held ↓ 32%

▶ 145 opposition decisions rendered ↑ 26%

552 requests for expungement (section 45) ↓ 10%

▶ 70% of trademarks automatically expunged since no evidence of use was filed by the registered owner

▶ 63 hearings held ↑ 85%

▶ 560 section 45 decisions rendered ↑ 19%

↑ Increase from 2020–2021

↓ Decrease from 2020–2021

Industrial designs



9,067 applications ↑ 11%

6,700 registrations ↑ 32%

↑ Increase from 2020–2021

↓ Decrease from 2020–2021

Figure 6: 2021–2022 top industrial design applicants

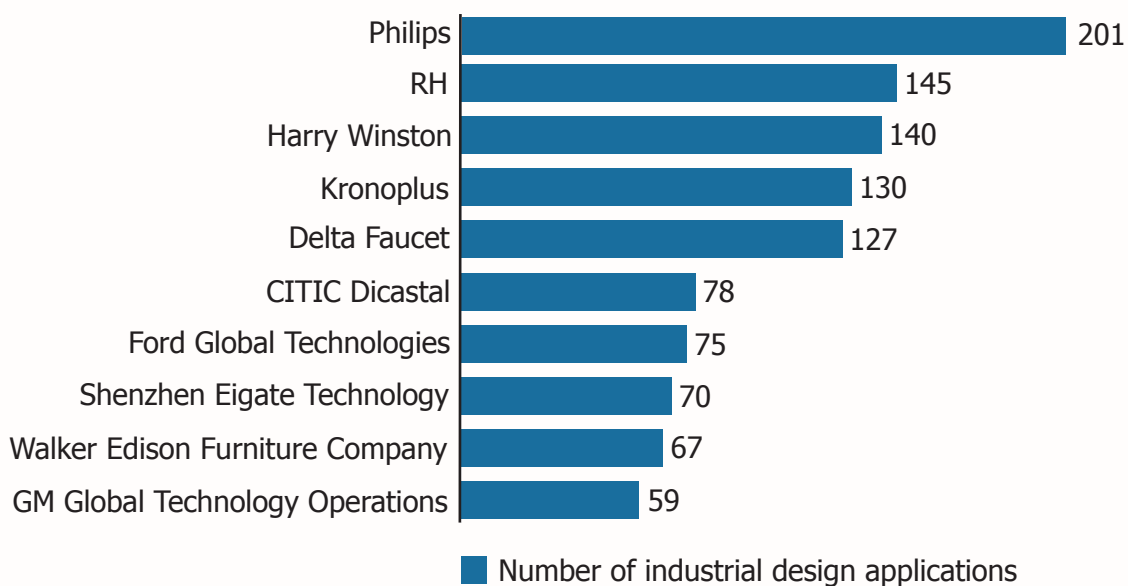
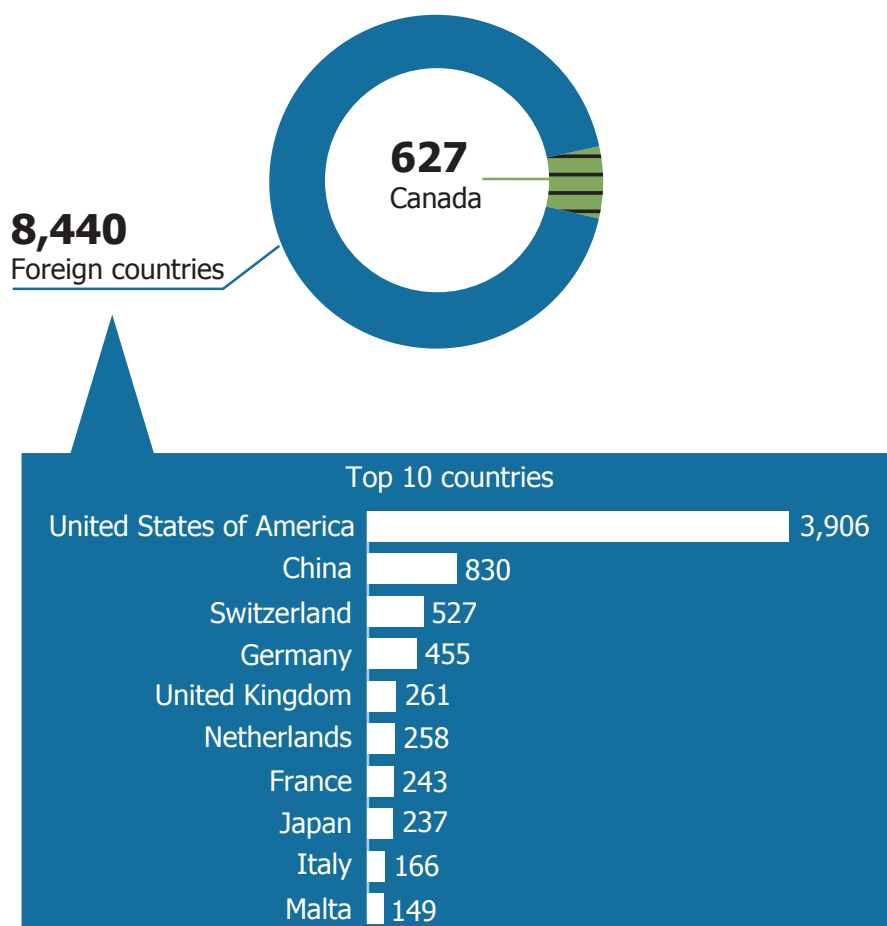


Figure 7: Country of origin of industrial design applications



Note: Figures for industrial design applications do not include designs filed at WIPO that have not yet been received in Canada.

Use of the Hague Agreement

Between April 2021 and March 2022, CIPO received 3,364 international industrial design applications under the Hague Agreement.

Copyright

11,163 applications ↓ 11%

11,183 registrations ↓ 11%

- ▶ Literary: 5,409
- ▶ Artistic: 1,388
- ▶ Dramatic: 1,362
- ▶ Musical: 1,037
- ▶ Combination of literary, musical, dramatic or artistic: 1,259
- ▶ Sound recording: 611
- ▶ Performance: 102
- ▶ Communication signal: 15

↓ Decrease from 2020–2021

Figure 8: 2021–2022 top copyright applicants

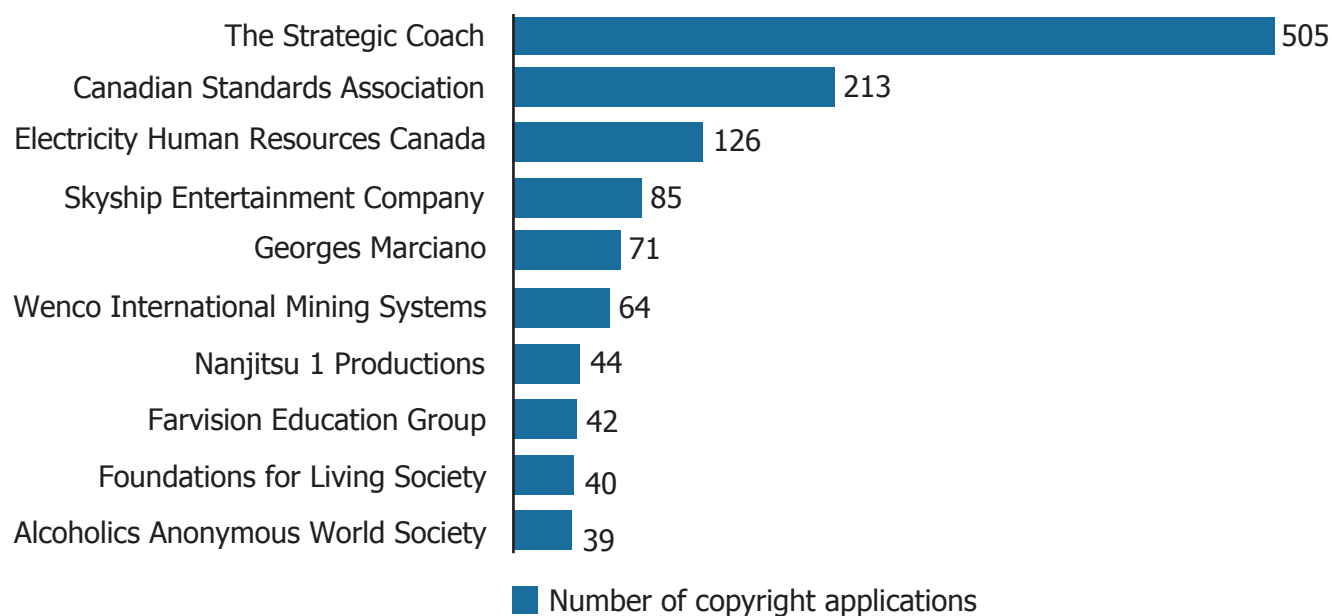
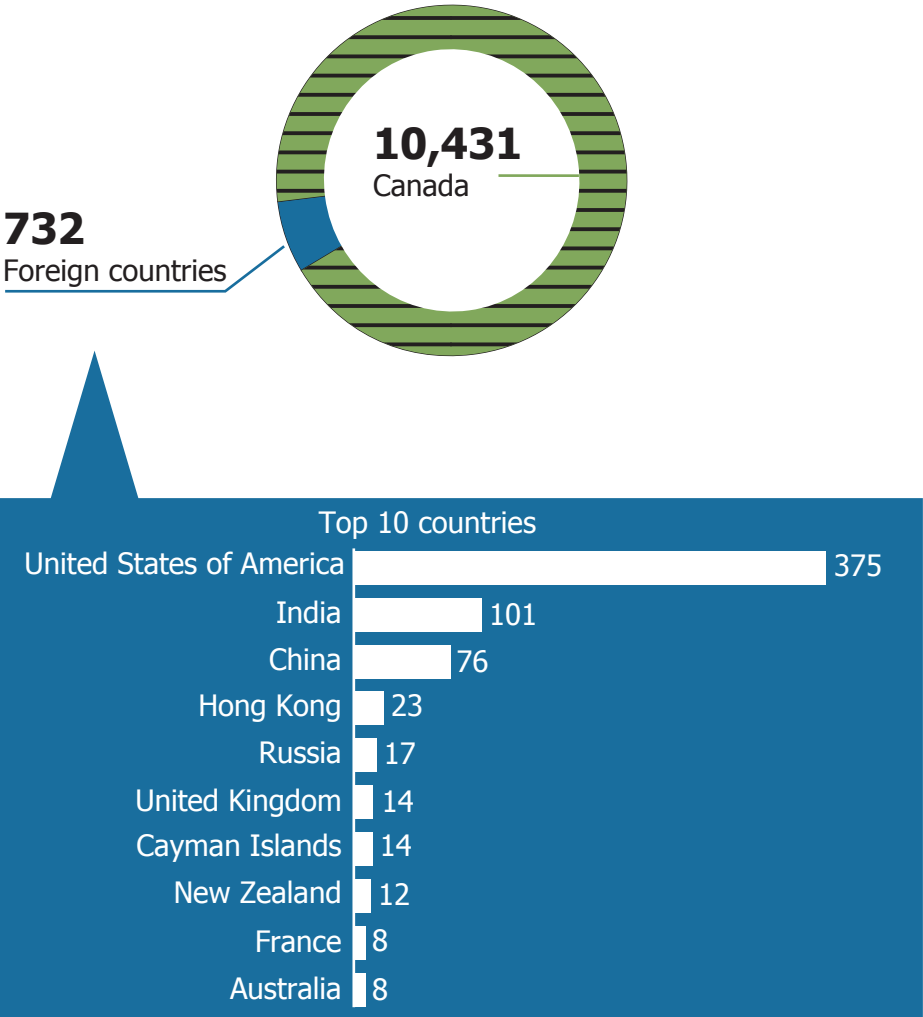


Figure 9: Country of origin of copyright applications



Advancing innovation

CIPO plays an important role in Canadian innovation. Beyond administering IP rights and disseminating IP data and research, CIPO advocates for Canada's IP interests both domestically and internationally, advances IP harmonization and supports the negotiation and implementation of trade agreements. Through collaborations with its extensive network of domestic and international partners and stakeholders, CIPO contributes to the effective functioning of the IP system, helping Canadian innovators, entrepreneurs and businesses grow and prosper in domestic and global markets.



Modernizing Canada's IP framework

On June 28, 2021, responsibility for regulating the patent and trademark agent profession was transferred from CIPO to the College of Patent Agents and Trademark Agents (CPATA). Created as part of the Government of Canada's Intellectual Property Strategy, CPATA became responsible for administering a licensing system, maintaining the registers of patent and trademark agents and an agent code of conduct, and undertaking investigations and enforcement as required. A memorandum of understanding (MOU) between CIPO and CPATA was established to support a successful transition of responsibilities and address ongoing matters, towards ensuring the effective exercise of the organizations' respective roles and responsibilities. As required under the College of Patent Agents and Trademark Agents Regulations, CIPO is represented on the CPATA committee responsible for administering licensing requirements.

In July and August 2021, CIPO conducted a formal public consultation in the Canada Gazette, Part I, on a series of amendments to the *Patent Rules* to streamline the patent examination process and encourage applicants to prosecute applications more efficiently, improving overall patent pendency. They also ensure compliance with the new WIPO sequence listing standard, Standard ST.26, to meet obligations in the Patent Cooperation Treaty (PCT). These regulatory amendments will bring Canada's patent framework into better alignment with international norms.

Collaborating with our international counterparts

Maintaining and fostering bilateral relations with our international counterparts is a central priority for CIPO. Through numerous bilateral and multilateral agreements, including MOUs and work plans, CIPO strengthens the Canadian IP regime, enhances Canada's position in the international system and promotes cooperation between Canada and other countries and international organizations. To date, CIPO is a signatory to 19 MOUs with other countries and organizations. In 2021–2022, CIPO signed new bilateral MOUs with the Intellectual Property Office of Singapore and the Ethiopian Intellectual Property Authority and signed a work plan with the Institut national de la propriété industrielle of France. CIPO also renewed its MOU with the European Union Intellectual Property Office. CIPO is also in the process of renewing or developing bilateral MOUs with the Korean Intellectual Property Office, France's Institut national de la propriété industrielle, the Mexican Institute of Industrial Property and the Brazilian National Institute of Industrial Property.

Over the years, CIPO has developed a strong collaborative relationship with the European Union Intellectual Property Office. In June 2021, CIPO had fruitful exchanges on key topics, including support for SMEs, trademark processes and pandemic recovery planning.

Patent Prosecution Highway pilot program agreement with France

In December 2021, CIPO met with the Institut national de la propriété industrielle (INPI) de France at the Embassy of France in Ottawa. This was CIPO's first international event to be held in person since the beginning of the pandemic. CIPO and INPI signed a new bilateral work plan to exchange information and learn from each other's best practices as well as to establish an agreement for a Patent Prosecution Highway pilot program. The pilot, which began on February 1, 2022, allows applicants to accelerate the examination of their patent applications in the partner country.



Pascal Faure, chief executive officer of INPI and Konstantinos Georgaras, chief executive officer of CIPO, signing a Patent Prosecution Highway agreement.

In July 2021, CIPO took over the role of chair of the Vancouver Group, a collaborative effort between the national IP offices from Canada, Australia and the United Kingdom. Regular engagement between Vancouver Group members allows our IP offices to share information and experiences on common issues and areas relevant to managing a mid-sized national IP office and identify potential areas for cooperation. Together, the Vancouver Group has worked on a number of projects relating to patent quality, IP research, finance, strategic human resources, customer-centred services and digital transformation. In February 2022, another Vancouver Group meeting took place in which CIPO committed to exchanging information and experiences regarding its trademark backlog, the creation of CPATA and CIPO's next 5-year business strategy.

The WIPO General Assembly provides an opportunity for Canada to engage with other Member States, take stock of the progress of WIPO-led initiatives and discuss future policy directions. In October 2021, the 62nd series of meetings of the Assemblies of the Member States of WIPO took place in a hybrid format. Alongside the General Assemblies, CIPO met bilaterally with key international partners to exchange information on ongoing cooperative projects, latest IP office developments and COVID-19 responses. CIPO's continued involvement on the international stage has allowed for the invaluable sharing of knowledge and experience with peers and learning from best practices, which aids in the good functioning of the international IP system and the delivery of excellent services for CIPO clients and Canadians.

As a member of Group B+, CIPO helped to promote and facilitate progress on key issues under consideration at WIPO, notably the international harmonization of substantive patent law. As part of the group's ongoing discussions, the Japan Patent Office conducted an international study to better understand the dynamics between disclosing innovations and filing for patent protection. CIPO helped to solicit feedback from Canadians on their experiences in the filing of patent applications and pre-filing disclosures.

G7 Heads of IP Office Conversation

In November 2021, the United Kingdom Intellectual Property Office (UKIPO) hosted the G7 Heads of IP Office Conversation where heads of IP offices and relevant IP experts of G7 countries met to discuss the intersection of IP with public health and share best practices in enforcement and future technologies. A joint statement outlining shared principles on these themes and G7 cooperation at WIPO was published following the event.

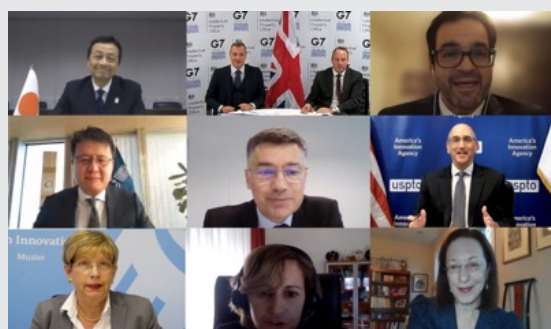


Photo reproduced with the permission of the Japan Patent Office

Top, from left: Mori Kiyoshi (Japan Patent Office), Tim Moss (UKIPO), Konstantinos Georgaras (CIPO)

Middle, from left: Daren Tang (WIPO), Pascal Faure (INPI), Drew Hirshfeld (USPTO)

Bottom, from left: Cornelia Rudloff-Schäffer (German Patent and Trade Mark Office), Simona Marzetti (Italian Patent and Trademark Office), Shira Perlmutter (U.S. Copyright Office)

In November 2021, CIPO participated in the International Trademarks Association's 2021 Annual Meeting Virtual+. It was an opportunity for CIPO to learn about the latest trademark office practices, engage in a dialogue on a variety of global IP themes such as innovation and the future of IP, and strengthen CIPO's relationship with the international trademark community. That same month, CIPO participated as a panelist in a United States Patent and Trademark Office (USPTO) event titled Promoting the inclusion of women in intellectual property. CIPO shared its best practices on increasing the use of the IP system by women and on the recruitment, retention and promotion of women in IP offices.

In December 2021, CIPO engaged with the African Regional Intellectual Property Organization (ARIPO) and the Organisation Africaine de la Propriété Intellectuelle (OAPI) as part of their respective annual administrative meetings. Member States of ARIPO and OAPI represent two thirds of African countries. These meetings were an excellent opportunity for CIPO to fulfill its requirements under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and to reiterate its willingness to collaborate with the international community and leverage IP to tackle global challenges. During the 45th Session of the ARIPO Administrative Council, CIPO made a statement acknowledging the accession of the Republic of Seychelles as a Member State. A statement by CIPO commending the cooperative nature of the OAPI was also included in a magazine for onsite participants of the 61st Session of the Administrative Council of the OAPI.

Maintaining dialogue with our domestic stakeholders

Through its many collaborative relationships with leading Canadian IP associations, business groups and academia, CIPO is able to draw on various perspectives that help to inform decisions and future priorities and improve service for Canadian businesses and innovators. In 2021–2022, CIPO engaged with a number of domestic partners and stakeholders through formal and informal consultations, meetings, bilateral engagements and events. This continued dialogue allows CIPO to keep its finger on the pulse of the IP ecosystem and ensures that Canada's IP framework continues to promote innovation and economic development.

During the final year of its 2017–2022 Five-Year Business Strategy, CIPO had its eye on the future. In 2021–2022, CIPO consulted with key domestic stakeholders to get their perspective on the opportunities and challenges facing IP in Canada and to comment on the overarching priorities that should guide CIPO's activities over the next 5 years. Stakeholders were supportive of CIPO's proposed strategic direction and eager to deepen their collaboration with CIPO as we operationalize our 5-year vision.

In May 2021, leaders from across CIPO joined more than 55 members from the IP section of the Canadian Bar Association for their fourth annual joint town hall to discuss CIPO priorities and progress. CIPO highlighted recent domestic and international filing statistics and trends and discussed steps to modernize and improve operations for the timely delivery of quality IP services.

CIPO–WIPO Executive Workshop

From April 26 to May 7, 2021, CIPO, in collaboration with WIPO, hosted the 24th Annual Executive Workshop on the Application of Management Techniques, held virtually. Through this workshop, CIPO fulfills its TRIPS obligations by providing technical assistance to senior officials of developing countries and supporting capacity-building and good governance practices. As part of this year's workshop, senior IP officials from 8 Caribbean and African countries joined us virtually to learn more about CIPO's operational and IP management tools and techniques and share their expertise and experiences. To increase participant engagement, a research project component was introduced to the workshop. Under the guidance of an assigned CIPO advisor, participants conducted an IP management research project, allowing them to apply the learned knowledge to a concern of their respective IP offices.



Participants at the 24th Annual CIPO–WIPO Executive Workshop

In October 2021, as part of the Intellectual Property Institute of Canada (IPIC) Annual Conference, CIPO provided members of the IP community an update on the latest IP trends, challenges and opportunities facing the organization as it establishes its priorities for the next 5 years. CIPO reiterated its commitment to work with IPIC and key stakeholders in pursuit of strategic objectives.

The Patent Practice Committee and the Trademark Practice Committee are composed of IP professionals from the IPIC and CIPO. In 2021–2022, these committees met on a number of occasions to discuss issues, develop solutions and advance innovative practice approaches to support robust patent and trademark practices and timely delivery of quality IP rights.

Becoming a more data-driven organization

Data—and their dissemination—are an integral part of innovation. Committed to becoming a more data-driven organization, CIPO continued to enhance its data governance and stewardship. The additional oversight will ensure that CIPO, innovators, businesses and policy-makers have access to timely, quality and secure data to support decision making.

Forecasting of IP activity is essential for effective corporate planning. It allows for the strategic allocation of human and financial resources and the best possible service for our clients. The pandemic and the instability brought on by the current economic environment has created the need for more frequent and detailed forecasting analysis and reports. As a result, CIPO created the IP Forecasting Newsletter, an internal publication that summarizes the current economic conditions affecting IP activity at CIPO; predicted filings for patents, trademarks and industrial designs; the future use of the Patent Cooperation Treaty, the Madrid filing system and the Hague filing system; and predicted revenue streams. As domestic and international economic conditions continue to evolve, CIPO continuously adapts its econometric forecasting models to ensure corporate planning is anchored in the latest data.

In October 2021, CIPO hosted its second Annual IP Data & Research Workshop, an internal forum to share knowledge and foster discussion on IP research, policy, data and operational issues within ISED. Lessons learned from this event supported the successful delivery of the 5th Annual IP Data and Research Conference in March 2022. This annual conference, organized by CIPO in collaboration with the Centre for International Governance Innovation, aims to disseminate leading IP research to an international audience of IP stakeholders, economic researchers and policy thinkers. This year, the conference was focused on the themes of diversity and inclusion in the IP ecosystem, lessons from the COVID-19 pandemic, IP metrics, clean technologies and data and digital platform governance. In conjunction with the conference, CIPO hosted its second annual Data Day, a half-day event that provided a forum for researchers and data scientists to share the data and analytical techniques behind their research.



Patenting to Fight Pandemics

CIPO's IP analytics reports aim to provide Canadian innovators and businesses with IP intelligence to help identify areas of innovation and growth, and position themselves to better compete in the global marketplace. In February 2022, CIPO, in collaboration with the National Research Council of Canada (NRC), released the IP analytics report *Patenting to Fight Pandemics*. This report brings to light Canadian patented inventions between 1999 and 2018, with a particular focus on 3 research areas that align with NRC's Pandemic Response Challenge Program: therapeutics and vaccine development, rapid detection and diagnosis and digital health.

Key findings from the report

- Globally, patented inventions in pandemic mitigation technologies have grown on average by 17% annually between 1999 and 2018.
- Canada ranked eighth globally in terms of the number of patented inventions assigned to Canadian institutions, and accounted for just over 2% of the inventions patented by institutions worldwide.
- 178 patented inventions assigned to 85 Canadian institutions were identified as technologies that could help the fight against COVID-19; of these, almost 75% were related to therapeutics and vaccine development, signalling a relative specialization of Canadian institutions in this area.
- There was a marked increase in therapeutics and vaccine development in the 5 years following the 2002 SARS outbreak, suggesting innovators respond directly and quickly in patenting innovations as needs arise.

Delivering quality and timely IP rights



Delivering quality IP rights in a timely manner is essential to a competitive and well-functioning marketplace, providing innovators and businesses with the protection and certainty they need to invest in their ideas. The pace of innovation is accelerating and CIPO's role is pivotal, instilling confidence through timely delivery of quality IP rights that clients can count on.

Focusing on transparency and accountability

In June 2017, CIPO's patent processes were awarded the International Organization for Standardization (ISO) 9001:2015 certification. CIPO has maintained ISO certification ever since, following successful external surveillance audits in March 2020 and again in March 2022. CIPO is committed to continuous improvement and the consistent delivery of products and services that meet or exceed client expectations.

CIPO is accountable for the level of service it provides, making key quality metrics and service standards available on its website. A patent quality dashboard presents statistics that align with the organization's 3 quality objectives: quality, timeliness and efficiency. In 2021–2022, CIPO enhanced the patent quality dashboard, clarifying existing metrics as a result of client feedback and adding a measure relating to the quality of applications proceeding to allowance. Furthermore, CIPO now publishes the dates of trademark applications at first examination in the Canadian Trademarks Database.

CIPO's client service standards reflect the level of service clients can expect when requesting a service for which a fee is paid. On April 1, 2021, ISED's Remission Policy came into effect, requiring CIPO to remit, under certain conditions, a portion of a fee paid when a service standard is determined not to have been met and a remission is warranted. This commitment to meeting service standards increases predictability for clients and is another example of CIPO's accountability in providing timely IP services.

The Manual of Patent Office Practice is a guide intended for patent examiners, applicants, agents and the public on the operational procedures and examination practices of Canada's Patent Office under the *Patent Act* and *Patent Rules*.

From December 2021 to February 2022, CIPO undertook public consultations on proposed changes to the manual, relating mainly to the integration of guidance from the practice notice on patentable subject-matter under the *Patent Act*. These consultations helped ensure the clarity of the information presented in the manual and its alignment with the *Patent Act*, *Patent Rules* and current jurisprudence.

Operational efficiency

Patents

In 2021–2022, CIPO received 39,709 patent applications and granted 19,525 new patents (compared with 22,451 new patents granted in 2020–2021). The average turnaround time—the time between a client's request for examination and the moment a patent is granted—was 30.8 months, lower than in 2020–2021 (31.1 months). To improve turnaround times and reduce inventory, CIPO recruited 31 new patent examiners and continued to promote the use of the patent examination interview service. This service allows clients to discuss a patent application directly with the examiner and obtain suggestions or advice as to how an identified defect may be corrected, reducing the risk of impasse and reducing the time to allowance.

The Patent Appeal Board (PAB) provides an independent review of rejected patent applications. In 2021–2022, the PAB received 36 rejected patent applications, down from 52 in 2020–2021. On average, the turnaround time for issuing a decision on an appeal was 29.1 months, up from 25.4 months the previous year. To reduce turnaround times for patent appeals, CIPO implemented a pilot project in 2020 where certain rejected patent applications in the electrical discipline were reviewed by a single PAB member instead of 3. In January 2022, the scope of the pilot project was expanded to reduce the inventory of rejected applications.

Trademarks

Since Canada's accession to 3 international trademark treaties in June 2019, CIPO has seen a steady increase in trademark applications. In 2021–2022, CIPO received 79,808 trademark applications, including 24,713 protocol applications. This marked a 5% increase in the total number of applications filed over the previous year. CIPO registered 27,265 trademarks, a 28% increase compared to the previous year. The average turnaround time for clients remained high (35.7 months from filing to registration in 2021–2022, compared with 34.2 months the previous year).

The Trademarks Opposition Board (TMOB) hears cases where someone objects to the registration of a trademark or requests that a trademark registration be expunged. In 2021–2022, the TMOB increased the number of hearings held by 10%, and the number of decisions, by more than 64%. In 2021–2022, the average turnaround time to schedule a hearing was 21.5 months. The average turnaround time for hearing decisions was 3 months after the hearing and 14 months for non-hearing decisions. In an effort to improve the turnaround time for rendering decisions, CIPO launched an ad hoc decision-maker pilot project. As part of this pilot, CIPO welcomed a few former trademark agents to join the team on a part-time basis. This additional capacity resulted in an increased number of decisions issued, a decrease in wait times and a 30% reduction of our inventory of cases awaiting a decision.

The road to recovery

To mitigate the increase in trademark applications and long turnaround times, CIPO launched a recovery plan that will increase production and productivity and reduce inventories. In 2021–2022, CIPO built capacity by hiring 49 trademarks examiners.

The pre-approved list of goods and services in the Goods and Services Manual was expanded to 109,437 entries, allowing more applicants to use this tool to expedite examination. In March 2022, a pilot project was launched that introduced the use of automated analysis for the pre-assessment of goods, services and Nice Classification information of pending domestic trademark applications.

Altogether, these and other recovery measures work to reduce the backlog of files awaiting an Office action, reduce pendency at all stages of the trademark registration process, and return CIPO's overall turnaround time for trademark registrations to internationally comparable levels.

Positive and measurable impacts from these initiatives have already been observed. From April 2021 to March 2022, CIPO examined 82% more trademark files compared with the previous period.

Industrial designs

Industrial design filings at CIPO have seen a steady year-over-year increase. This trend was amplified by Canada's accession to the Hague Agreement Concerning the International Registration of Industrial Designs in October 2018. In 2021–2022, CIPO received 9,067 industrial design applications, including 3,364 Hague applications, representing a 11% increase from the previous year's total number of applications. The average turnaround time from filing to registration increased to 16.4 months, compared with 13.6 months in 2020–2021.

Building IP awareness and education

CIPO's IP awareness and education services is a key component of Canada's IP Strategy. In 2021–2022, CIPO delivered IP awareness and education services to help Canadian businesses, entrepreneurs, creators, innovators and underrepresented groups such as women and Indigenous peoples consider IP and recognize its importance in growing their businesses.



Canadian IP Voices

In October 2021, CIPO launched Canadian IP Voices, a podcast series discussing tips, tricks, and issues relating to the use of trademarks, patents, industrial designs, copyrights and trade secrets. Listeners get to hear real problems—and real solutions—explained by a range of IP professionals and stakeholders across Canada and abroad. In 2021–2022, CIPO released 14 episodes on topics including IP in the cannabis industry, copyright in social media, piracy, IP agents and videogame IP protection.

Pivoting to digital approaches

In 2021–2022, CIPO continued to pivot its IP awareness and education services to digital approaches. CIPO developed new digital IP awareness and education tools and resources to help Canadian businesses and entrepreneurs unlock the value of their IP by using it strategically when growing to scale. CIPO also expanded its offerings to include new e-learning modules, factsheets, pre-recorded videos and a podcast series.

Throughout the year, CIPO hosted a number of webinars on a variety of topics. Aligning with the theme of World IP Day 2021, (IP and SMEs: Taking your ideas to market), CIPO, in collaboration with IPIC, launched a pre-recorded webinar on IP commercialization, highlighting some of the key skills and steps to commercialize ideas through partnering, licensing or selling IP rights.

As part of Canadian Innovation Week, CIPO hosted a webinar on the importance of IP in innovation. Participants learned about the elements and considerations in developing an IP strategy in order to help them extract value from their IP, protect their innovations or take their business abroad. In June 2021, members of the Patent Appeal Board participated in an IPIC webinar to share their insights on how best to represent client matters before the Board. Likewise, in February 2022, the Trademarks Opposition Board hosted a webinar to share best practices when conducting opposition proceedings concerning Madrid Protocol applications.

In 2021–2022, CIPO released a new e-learning module, Plan for success - Build an IP strategy, that teaches participants how to effectively manage IP assets and build an IP strategy to achieve business goals and gain a competitive advantage. This e-learning module is intended for SMEs that want to learn the fundamentals of an IP strategy, have registered or applied for IP rights or are looking to export their products or services in foreign markets.

Building on content available on the CIPO website, CIPO published a new web page on Canadian IP resources for small businesses. It provides a list of resources to help small businesses protect and commercialize their IP. In addition, a new factsheet on software and IP and 3 new IP roadmaps, on geographical indication objection proceedings, trademark expungement proceedings and opposition proceedings, were added to CIPO's IP Toolbox.



Uniting our efforts to help businesses

As we continued to operate in a pandemic environment, CIPO focused on extending its reach virtually by strengthening established regional and national networks and partnerships. Along the way, new partnerships were developed with associations and businesses in strategic and innovative sectors, including underrepresented groups.

IP is a crucial business tool at all stages of a company's development. To help Canadian SMEs better understand how to use IP more effectively, leading IP organizations in Canada came together to create the IP Village, a collaboration between CIPO and the Business Development Bank of Canada, Export Development Canada, Global Affairs Canada's Trade Commissioner Service, the Intellectual Property Institute of Canada (IPIC), the National Research Council (NRC) of Canada's Industrial Research Assistance Program (IRAP) and Innovation, Science and Economic Development Canada (ISED). This initiative leverages existing partnerships to build a working group where best practices, practical intelligence and questions and answers are shared. The first deliverable of the IP Village was a series of 5 webinars entitled IP Talks that covered the typical life cycle of IP (creating, formalizing, enforcing), government support (funding and assistance) and key considerations when expanding a business in global markets.

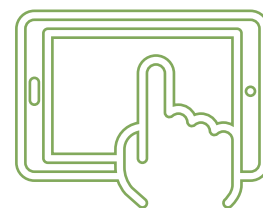
CIPO co-hosted a virtual event in collaboration with the Canadian Council for Aboriginal Business, IPIC and ISED. Titled Indigenous Business and IP: Ensuring the Indigenous Economy's Continued Competitiveness and Growth, the event was attended by more than 70 participants. It featured a panel discussion with successful Indigenous entrepreneurs who shared their stories about how they leverage their IP to grow their businesses.

In May 2021, CIPO partnered with WIPO to co-host the Canadian series of roving webinars on WIPO services and initiatives, which were attended by hundreds of participants from around the world. The event featured a series of short interactive webinars with experts from both WIPO and CIPO as well as Canadian IP professionals, and provided insightful information on IP protection through the international IP system and other WIPO initiatives. Because the first series of roving webinars was designed for a national context, the webinars focused on Canada's IP landscape and gave an overview of WIPO services available to Canadian businesses.

CIPO continued to work closely with its existing partners to better equip innovators in leveraging their IP portfolios. We provided a number of presentations and training sessions to our national partners such as NRC-IRAP, Export Development Canada, Global Affairs Canada's Canadian Technology Accelerator and the Canadian Foreign Services Institute. CIPO also renewed its MOU with NRC-IRAP and formalized a new partnership with the Ontario Centre for Innovation.

In 2021-2022, CIPO continued to be at the heart of the IP and innovation conversation in Canada. CIPO participated in a number of virtual conferences, notably the Smart Energy Event and the Intellectual Property International Forum – Quebec. CIPO also held various presentations with regional organizations, including Innovation PEI, Invest Ottawa, MT Lab, l'École des entrepreneurs du Québec, Communitech, TechAlliance, the Office of Small and Medium Enterprises in the Prairies Region, Women Entrepreneurs of Saskatchewan, the Greater Vancouver Board of Trade and chambers of commerce from coast to coast to coast. Additionally, CIPO's IP advisors across the country met virtually with more than 676 entrepreneurs and innovators to answer their IP questions and provide tailored IP resources.

Offering a modern service experience



CIPO aims to provide a seamless client-centred service experience that is digitally enabled and delivers high-quality IP rights in a timely manner. CIPO has set an ambitious service transformation agenda to achieve this goal. Throughout this journey, CIPO is putting clients at the centre of service design and engaging them at every stage of the service experience.

Putting clients at the heart of service improvement

Delivering an exceptional service experience requires a good understanding of our clients, their unique characteristics and desired touchpoints. In 2021–2022, CIPO conducted a harmonization exercise to align all the insight collected over the years on client behaviours and expectations, and established an authoritative set of client profiles to guide the development of products and services that meet the targeted needs of different client groups.

To engage, equip and empower employees in delivering excellent service, CIPO now embeds service excellence principles in each of its existing training modules. The curriculum is customized to meet the specific needs, products and services of each line of business. CIPO also complements its onboarding and operational training with relevant and practical learning tools, using continuous learning as a strategic lever to sustain its service excellence culture.

Creating a seamless digital experience

In today's global IP ecosystem, CIPO services must keep up with those of other leading IP offices. Clients expect e-enabled services that are convenient, seamless and on-demand. In April 2021, CIPO launched an e-grant system and became one of the first IP offices in the world to issue entirely electronic patents. Clients that have been granted a Canadian patent can now download their documents in electronic format from a secure repository, rather than receive a paper copy. The new e-issuance process produces 2 PDFs. One consists of the patent, sealed with a

CIPO Service Strategy

CIPO's Service Strategy establishes how we design, deliver and continuously improve our services to provide an integrated client service experience.

In 2021–2022, CIPO revised its Service Strategy to ensure alignment with CIPO's 2022–2027 Business Strategy and the Government of Canada's Policy on Service and Digital. CIPO's Service Strategy is anchored by 4 key goals:

1. Continue to build a culture of service excellence
2. Design an optimal IP journey that meets clients' needs
3. Iteratively deliver digital service improvements that clients need the most
4. Manage IP data and insights as an asset and continuously action on feedback

digital signature, and the other consists of the cover page, description, claims and drawings. The positive ecological impact of issuing patents electronically cannot be overstated, with CIPO printing approximately 1 million fewer pages in the first year of the initiative. To advance our vision of being a paperless IP office, in March 2022, CIPO completed the digitization of its archived paper patent applications and related documents, some dating as far back as 1940.

This multi-year initiative has made over 187,000 files available online in the Canadian Patents Database, ensuring that historical IP documents are safe and

accessible and allowing for more efficient searching of documents.

PCT national entry requests (NERs) represent approximately 80% of all patent applications received at CIPO. In November 2021, CIPO launched a new interactive NER online solution that allows clients to save drafts of multiple patent applications, which can be finalized and submitted at a later time. Once an application has been successfully submitted and the fee paid, clients instantly receive a national entry date and a Canadian application number. Between August 2021 and March 2022, the NER online solution was used by over 90 firms and individual patent agents requesting national entry of over 4,400 applications.

Canada Post's epost Connect™ is a digital delivery platform with bank-grade encryption that facilitates the sending and receiving of confidential messages and documents with 1 or multiple recipients. In 2021–2022, CIPO adopted epost Connect™ for international patent applications, allowing clients to electronically retrieve outgoing PCT international correspondence.

CIPO also began classifying all new international patent applications according to the symbols of the Cooperative Patent Classification (CPC) system, in addition to those of the International Patent Classification (IPC) system, which remains the international classification system recognized by WIPO. Developed as a partnership between the European Patent Office and USPTO, the CPC system is designed to be more specific than the IPC and allows for faster and more accurate searching of patents and prior art. The CPC system has been adopted by more than 45 patent offices as a search and classification tool.

On January 6, 2022, CIPO launched the new Trademarks e-Services platform, which introduced a number of self-service transactions, such as a change of name, address or ownership and security and licence agreements. The automation of these transactions not only provides clients more flexibility in how they interact with CIPO, but also increases operational efficiency by reducing the number of transactions that previously required manual intervention by CIPO staff. As of March 31, 2022, CIPO had received over 7,905 transactions via the new Trademarks e-Services platform, 86% of which were processed automatically.

In March 2022, CIPO adopted the Government of Canada's single sign-in platform for all its e-services. Clients can now access CIPO e-services using their GCKey or Canadian online banking credentials (Verified.Me), just as they do for many other Government of Canada e-services. Additionally, a 2-step verification process was implemented as an enhanced security measure. In addition to making CIPO e-services more seamless, this new authentication platform and 2-step verification process also make CIPO's services more secure, helping build trust in conducting online business with CIPO.

Early in the pandemic, the TMOB began using videoconferencing to conduct its hearings, including those requiring simultaneous translation. This approach not only saves time and money for clients but also provides gains in efficiency for CIPO and its clients that will contribute to more timely delivery of services. In light of this success, the TMOB amended its practice notices to formalize videoconferencing as the default method for conducting hearings. In addition, participants have access to, upon request, closed captioning and sign language interpretation at virtual hearings.

An agile and high-performing organization



In order to provide excellent service, CIPO must remain agile and adapt to the growing demand for IP rights, the increasing complexity of technologies and evolving expectations of clients. While process and technological transformation will be important enablers in achieving our goals, CIPO's dedicated workforce and sound financial stewardship will remain the foundation upon which we build success.

Developing a skilled and robust workforce

As part of its recovery plan for trademarks, CIPO onboarded its largest cohort of trademark examiners to date, with 49 new employees. Following an intensive classroom training of 10 weeks and a coaching period of 3 months, these new trademark examiners will contribute to a gradual but steady decrease of our trademarks backlog and an eventual return to optimal turnaround times. CIPO also onboarded 5 new industrial design examiners and 31 new patent examiners in the biotechnology, organic chemistry, electrical and mechanical disciplines. Through the Federal Student Work Experience Program and the Post-Secondary Co-op/Internship Program, CIPO hired 80 students and provided them with enriching work experiences. These new employees, recruited from across Canada, are bringing to CIPO the diverse skills and perspectives required to create a robust and skilled workforce that will allow us to meet the future with confidence.

Beyond awareness of mental health

The COVID-19 pandemic brought unprecedented disruptions and challenges, emphasizing the importance of well-being and mental health. CIPO is committed to the well-being and mental health of its employees and strives to provide them with the tools, resources and workplace conditions to promote them. In 2021–2022, CIPO launched an initiative called Beyond Awareness: 13 Psychosocial Risk Factors in the Workplace. The goals of this initiative are to raise awareness of psychosocial risk factors in the workplace, obtain employees' perspectives on

well-being and mental health issues in the workplace and influence CIPO's culture in a positive and meaningful way. More than 300 CIPO employees participated in awareness sessions on psychological risk factors in the workplace. Through a series of dedicated workshops, CIPO also identified the psychological risk factors of greatest concern for CIPO employees and established an action plan tailored to the needs of individual branches. Throughout the year, CIPO underscored the importance of well-being and mental health through regular communications and the sharing of resources, tips and tools with employees.

Recognizing diversity as our greatest strength

More than a question of respect and equality, diversity in the workplace allows different perspectives to be brought forward, fosters innovation and, ultimately, allows us to provide better services for Canadians. CIPO is actively working to bring greater diversity to its leadership ranks by removing barriers in its recruitment, development and promotion practices and by fostering a workplace culture that is free from racism and discrimination.

In 2021–2022, CIPO promoted and took part in a number of awareness events that celebrated our diversity. In June 2021, CIPO recognized and celebrated Aboriginal and Indigenous peoples during National Indigenous History Month and National Indigenous Peoples Day. Canada's first National Day for Truth and Reconciliation on September 30, 2021, provided an opportunity for CIPO employees to recognize and commemorate the legacy of residential schools. In August 2021, Pride Week allowed us to witness how far we have come in

respecting and celebrating the true diversity and beauty of the 2SLGBTQI+ communities, and the work that remains to be done. As part of Black History Month in February, CIPO welcomed 2 guest speakers to deliver a thought-provoking presentation on the experiences of Black employees in government. In March 2022, to recognize International Women's Day, women at CIPO were given the opportunity to share stories on how they are breaking biases and championing workplace diversity, encouraging our employees to challenge the bias and spark change.

We live in a nation that values linguistic diversity. To recognize Canada's 2 official languages and rich linguistic heritage, CIPO celebrated Linguistic Duality Day on September 9, 2021. In March 2022, CIPO participated in a number of events and activities, including Rendez-vous de la Francophonie, celebrating the French language and its many expressions. To help strengthen employees' second language skills, CIPO encouraged participation in its Official Languages Development Program and Informal Language Mentoring Program and shared a number of online apps, tools and resources.

CIPO is committed to ensuring an accessible environment for all employees and clients. In 2021–2022, CIPO employees completed a course on accessibility that provided them with the knowledge and tools to ensure our products, services, programs and environment are accessible to everyone, notably people with disabilities.

In February 2022, CIPO held a forum with its managers on the theme of "Respect, diversity and inclusion: Change starts with the heart!" During this virtual event, guest speakers helped CIPO managers understand the ripple effects of micro-aggressions and shared insights on how to become a more inclusive leader. CIPO employees also received training on harassment and violence prevention in the workplace that taught them how to recognize, report and address harassment and violence in our work environment.

Preparing for our new normal

At the onset of the pandemic in March 2020, a majority of CIPO employees shifted to remote work. In a matter of days, CIPO employees adapted to a new environment, new work tools and new processes and continued to provide uninterrupted IP services to clients. The pandemic forced a change in workplace culture that would have normally taken years to achieve and highlighted the importance of being agile to succeed as an organization. As restrictions eased, CIPO, in collaboration with ISED, began preparing for the "workplace of the future," initiating a plan for a hybrid workplace model that will be flexible, modern, healthy and inclusive. While CIPO has long valued work-life balance and has offered telework or alternative work arrangements when operational requirements allowed, our new workplace model will feature greater teleworking capacity and will balance employees' preferences with operational needs. Our employees will be supported with the necessary work tools and an office design that will promote a healthy, collaborative and connected work environment.

Maintaining financial stewardship

As a special operating agency of the Government of Canada, CIPO's operations are financed entirely by revenue from clients. CIPO is committed to management excellence and sound financial stewardship and, in 2021–2022, received an unqualified financial audit opinion for the 27th consecutive year. Having not increased its fees since 2004, CIPO initiated a review of its fee structure and launched a public consultation on proposed fee increases to better understand the impact on clients, Canadian businesses, IP agents and domestic and international stakeholders. The fee review will ensure CIPO's long-term sustainability and will allow the organization to continue serving clients with excellence and efficiency.

Next steps

2021–2022 was the last year of CIPO's 2017–2022 Five-Year Business Strategy. As we continue to operate in an evolving IP environment and plan for our new normal in the aftermath of the pandemic, CIPO has laid out the priorities that will help us navigate the present, guide us over the next 5 years and bring us into the future.

CIPO will remain focused on providing clients with timely delivery of quality IP rights and services by rendering decisions that are consistent, predictable and reasonable. We will optimize our turnaround times through process and technological transformation and will leverage data to support these improvements. We will transform the service experience by providing our clients with e-enabled IP services that are seamless, integrated and harmonized with other jurisdictions.

CIPO will continue to foster innovation and competitiveness in Canada through leadership and education. By developing evidence-based and targeted digital program offerings, we will increase IP awareness, knowledge and the effective use of IP by Canadians, notably for under-represented groups such as Indigenous, Black and women entrepreneurs. We will continue to be a leader on the Canadian and international IP stage by promoting Canada's IP interests and providing support to advance the harmonization of the global IP system. Our data-driven focus will support decision making across the IP ecosystem.

Most importantly, CIPO will strengthen the foundation upon which it is built. We will establish a modern and healthy workplace that supports our operational needs as well as the well-being and mental health of our employees. We will ensure our employees have the skills and tools needed to succeed and will prioritize diversity and inclusion in our recruitment and development practices.

Finally, by reviewing our fee structure and maintaining good governance and oversight of our IT and capital investments, we will be able to continue to serve Canadians with excellence, now and into the future.

Additional information

Corporate and financial statistics are available on the CIPO website.

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- ▶ Trademark revenues
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Copyright

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