



May 30, 2019

Via email: [ic.cipo-consultations-opic.ic@canada.ca](mailto:ic.cipo-consultations-opic.ic@canada.ca)

Johanne Bélisle, CEO  
Canadian Intellectual Property Office  
Place du Portage I  
50 Victoria Street, room C-114  
Gatineau, QC K1A 0C9

Dear Madame Bélisle:

**Re: Draft MOPOP Topics – Patent Rules**

I am writing on behalf of the CBA Intellectual Property Section (CBA Section) about the proposed changes to the Manual of Patent Office Practice (MOPOP) to reflect the new Patent Rules anticipated in fall 2019.<sup>1</sup>

The CBA is a national association of 36,000 lawyers, Québec notaries, law teachers and students, with a mandate to promote improvements in the law and the administration of justice. The CBA Section deals with law and practice relating to all forms of ownership, licensing, transfer and protection of intellectual property and related property rights, including patents, trademarks and copyright.

The CBA Section offers input on two subjects:

- registration of security interests against patents and patent applications and certain recording practices; and
- the “due care” standard.

**Recording of Transfers, Changes of Name and Registration of Related Documents**

The proposed MOPOP includes guidance on the registration of documents against patents and patent applications, as permitted under section 125 of the new Patent Rules.

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<sup>1</sup> Consultation on draft topics for the new Patent Rules in the Manual of Patent Office Practice: [online](#)

Many documents currently being registered against patents and patent applications are security interest documents and will likely be registered under this provision. As technology expands and the economic value of intellectual property increases, companies increasingly leverage their intellectual property rights to raise financing. In this context, we see more creative and varied security arrangements. We recommend that the government establish a regime for personal property security interests (PPSI) in patents and patent applications and consider the compatibility of the PPSI regime with the MOPOP, the *Patent Act* and the Regulations. Care should be taken to ensure that any PPSI regime is structured to not conflict with provincial, territorial or state secured transactions filing requirements for perfecting and establishing priorities between security interests in intangible property. Security interests often have different priorities that may be affected by the date on which they are registered against a patent or patent application.

We also recommend that the MOPOP clarify the effective date for recording documents other than transfers. Section 2.0 of the proposed MOPOP on “Recording a transfer” specifies that the effective date for the recordal is the date when the Commissioner records the transfer, not when the request is submitted to the Patent Office. There is currently no analogous language about the effective date for recording other documents. To enhance certainty for applicants, patentees and third parties about the status of documents recorded against patents and patent applications (including security interests), we recommend including an effective date for the recording of documents other than transfers and that the effective date be the date the request is made with the Commissioner. We also suggest that the MOPOP stipulate that documents will be registered in a particular sequence if that sequence is included in the request to register multiple documents.

### **The Due Care Standard**

With the Patent Rules will come a new feature in Canadian patent law – a requirement to show due care in certain reinstatement circumstances. As this new standard for domestic patent practice is a significant change from current reinstatement practice, additional guidance would be helpful, especially on what the Patent Office considers to be “customary diligence that a prudent party” should exercise under the “Due Care” section of the proposed MOPOP.

The proposed MOPOP states that the Patent Office’s approach will be “generally consistent” with its approach as a Receiving Office. It would be helpful if MOPOP clarified whether the practice will be the same or, if not, identified any differences.

The proposed MOPOP requires that the applicant/patentee “state the reasons” for failure to meet the deadline. Guidance would be helpful on whether the Patent Office will accept reasons in a letter from the patent agent on behalf of the applicant/patentee or if reasons must be in the form of a statement or affidavit from the applicant/patentee.

We appreciate CIPPO’s ongoing consultation and thank you for the opportunity to comment on the proposed MOPOP. Please let me know if you have any questions about our recommendations.

Yours truly,

*(original letter signed by Sarah MacKenzie for James G. Kosa)*

James G. Kosa  
Chair, CBA Intellectual Property Section