



## **AIPPI Canada Comments to the Proposed Amendments to the *Patent Rules* Published in Part I of the *Canada Gazette* on July 3, 2021**

**3 August 2021**

AIPPI Canada is pleased to provide the following comments relating to the proposed amendments to the *Patent Rules* published in Part I of the *Canada Gazette* on July 3, 2021.

### **A. INTRODUCTION TO AIPPI CANADA**

AIPPI Canada is the Canadian group of AIPPI. AIPPI, the International Association for the Protection of Intellectual Property, was founded in 1897 and is dedicated to the development, improvement and legal protection of intellectual property. The acronym of the organization was derived from its name in French: Association Internationale pour the Protection de la Propriété Intellectuelle. AIPPI is a non-affiliated, non-profit organization headquartered in Switzerland, having 9,000 members representing over 100 countries. The members of AIPPI include lawyers, attorneys, and agents working across all fields of intellectual property in corporate and private practice throughout the world, as well as academics, judges, government officials and other persons interested in intellectual property. AIPPI is organized into 68 National and Regional Groups – of which one is AIPPI Canada.

The objective of AIPPI is to improve and promote the protection of intellectual property at both national and international levels. It does this by studying and comparing existing and proposed laws and policies relating to intellectual property, and working with both government and non-government organizations for the development, expansion and improvement of international and regional treaties and agreements, and national laws.

### **B. COMMENTS**

1. AIPPI Canada generally supports and encourages harmonization of patent rules and procedures with other jurisdictions where appropriate. In the long term, harmonization will lead to more certainty for patent applicants, and in particular for Canadian patent applicants. However, caution should be applied in situations where other factors peculiar to Canadian patent law would inadvertently cause a proposed harmonization of patent rules to create unintended consequences to the detriment of Canadian applicants.

2. With more time, we may have been able to canvass our colleagues around the world with respect to items pertinent to the proposed amendments to the *Patent Rules*. However, in view of the time constraints for this consultation, this submission will focus only on two items: Request for Continued Examination (RCE) and Excess Claim Fees. AIPPI Canada would be happy to provide further information regarding potential for international harmonization relating to the proposed amendments to the *Patent Rules*, or any other Canadian intellectual property law.

3. There are some terms and statements regarding foreign practice made in the Regulatory Impact Analysis Statement (RIAS) that are imprecise or inadvertently out of context. For example, a patent term adjustment (PTA) under US practice only applies to delays caused by the United States Patent and Trademarks Office (USPTO). Applicants are not rewarded for any delays caused by the applicant. AIPPI Canada would welcome the opportunity to discuss foreign practice with CIPO in more detail, as well as provide any harmonization positions taken by AIPPI.

4. **The concern noted in the RIAS regarding the double patenting regime in Canada cannot be understated.** To AIPPI Canada's knowledge, Canada is the only jurisdiction with such a harsh double patenting regime. While not the focus of the proposed amendments to the *Patent Rules*, this issue is perhaps the most important concern that has the potential to cause some of the proposed amendments to be inadvertently detrimental to Canadian applicants. This serious concern will prevent full support for the proposed amendments to the *Patent Rules*. AIPPI Canada encourages CIPO to reconsider some of the proposed amendments with respect to Canada's uniquely harsh restriction against double patenting.

#### *Excess Claim Fees*

5. AIPPI Resolution Q170 "On the Intellectual Property Costs and the Retention of Official Fees" supports the notion that intellectual property (IP) offices should have complete administrative and financial autonomy. However, official fees collected for the filing, prosecution and maintenance of IP rights should not be retained for purposes which have no connection with the operation of the IP offices. So long as the collection of excess claim fees does not cause CIPO to have a surplus of funds required to cover its operations, then the proposal for excess claim fees would comply with AIPPI's position regarding the collection of fees. If the collection of excess claim fees would generate a surplus of revenue for CIPO, then to comply with AIPPI's position, the fee structure should be revisited to locate cost savings to applicants.

6. Many patent offices have a form of excess claim fees as noted in the RIAS. A patent application with 20 claims should be more efficient to prosecute than a patent application with 40 claims, *ceteris paribus*. Thus, while the notion of excess claim fees may not be palatable to some applicants, there appears to be an aspect of fairness and cost recovery to the notion of excess claim fees.

7. Unfortunately, excess claim fees combined with the current strict double patenting regime in Canada may cause unintended consequences to the detriment of Canadian applicants. Non-Canadian applicants will likely have sufficiently prosecuted their applications in their home jurisdiction such that they can comfortably select 20 claims to be examined in Canada. To achieve the same benefit that non-Canadian applicants will inadvertently receive, Canadian applicants will have to defer the request for

examination in Canada and prosecute their patent applications in a foreign jurisdiction. In fact, it is believed that this is the main impetus for the majority of deferral of examination in Canada.

8. AIPPI Canada would be able to support some form of excess claim fees if this addition to the Canadian patent regime is accompanied with a form of relief: either i) the loosening/correction of the Canadian application of double patent rules, or ii) an increase in the amount of time that a request for examination can be deferred (e.g., to 7 years from the date of filing). If it is beyond the scope of the present amendments to correct the double patenting regime in Canada such that it is aligned with virtually every other jurisdiction in the world, then AIPPI Canada respectfully encourages CIPO to address this issue at its earliest convenience, and preferably, before the excess claim fees provisions come into force. Since Canada has a 4.5-year transition period to be compliant with CUSMA and the PTA implementation, surely the excess claim provisions could at least be held in abeyance until that time.

9. Alternatively, CIPO could easily amend the *Patent Rules* – even if just temporarily – to allow for a 7 year delay prior to requesting examination. This will give Canadian applicants the optional benefit of prosecuting their claims in another jurisdiction before selecting which 20 claims to pursue in Canada.

10. Additionally or alternatively, applicants could be provided an opportunity prior to examination, and prior to the determination of excess claim fees, to obtain an opinion from the Examiner regarding “unity of invention” for the independent claims without consideration of the prior art. This will then allow applicants to comfortably plan for divisional applications without risking the consequences of double patenting as applied in Canada. The applicant can then provide a replacement claim set for full examination based on the initial “unity of invention” review. Such a pre-examination action is common in the United States. It is referred to as a “restriction requirement” and is performed before examination of the claims.

#### *Request for Continued Examination*

11. AIPPI Canada agrees that “Efficient processing of a patent application, with a view towards concluding examination, is a shared responsibility between CIPO and the applicant.” The applicant is in control of the contents of its patent application. CIPO is in control over the timeliness and completeness of its examination reports. CIPO is also in control over the issuance of an appealable decision.

12. In addition to providing incentives to patent applicants to ensure timely prosecution, CIPO is respectfully encouraged to provide corresponding incentives to patent examiners to ensure that all possible requisitions to pending claims are made at the earliest opportunity (or disincentives for failure to cite all possible requisitions at their earliest opportunity). For example, if there is an objection or requisition in an office action that could have been made in a previous office action, then the previous office action should be withdrawn so that an RCE is not required to reply to the additional objection or rejection. Applicants should be compensated for any delay on the part of the examiner regarding timely inclusion of all possible objections or rejections.

13. The USPTO does indeed have a regime where applicants can request continued examination (RCE). However, such “continued examination” follows a “Final Action”. Otherwise, examination has not “ended” and an RCE is not required. Any rejection that was available to the US examiner in a previous

office action cannot form part of any “Final Action” or any action that ends prosecution. AIPPI Canada would be happy to provide further details regarding the USPTO continued examination regime.

14. The proposed amendments do not explicitly provide for a “Final Action” to be issued prior to a need to file an RCE in Canada. To bring the proposed RCE scheme in harmony with USPTO practice, the action that necessitated the RCE should be an appealable decision (e.g., a “Final Action”). One suggestion is to allow applicants to request that CIPO pull an action that requires an RCE and re-submit it as a “Final Action” so that applicants may appeal the decision rather than submit an RCE. The option to appeal even a quasi-final decision should be available for the applicant if there is to be a fee for “continued examination”. The choice between abandonment and paying a fee for continued examination may not always be a real/fair choice.

15. Additionally and alternatively, CIPO may provide incentives to patent examiners regarding informal discussions with applicants and their representatives. Such “Examiner Interviews” may advance prosecution without the need for an official action – thereby potentially mitigating many of the concerns regarding RCEs. Whether or not the proposed RCE scheme is implemented, the promotion of “Examiner Interviews” will lead to advancement of prosecution and help ensure that any need for PTA is minimized.

### **C. CONCLUDING COMMENTS**

AIPPI Canada supports the theoretical notions underlying many of the proposed amendments to the *Patent Rules* that assist with providing procedural fairness, expedite prosecution, and provide harmonization with patent regimes around the world. However, AIPPI Canada has concerns with the specific proposed amendments, as it is imperative that any amendments do not inadvertently cause harm to applicants engaging the Canadian patent system, and do not inadvertently place Canadian applicants at a competitive disadvantage. AIPPI Canada would welcome the opportunity to continue this discussion, and if helpful, would be happy to canvass our international colleagues regarding aspects of their intellectual property regimes.

Respectfully submitted,

**The Canadian Group of the International Association for the Protection of Intellectual Property  
(AIPPI Canada)**