

13 Changes and Counting: Changes to Canada's Patent Regime in 2019

Introduction

The Government of Canada is changing the current Patent Act and Patent Rules to modernize the Canadian patent regime. The current Patent Rules will be replaced with a new set of rules (the "New Rules"), which will come into force on October 30, 2019.

In this article, we discuss notable expected changes to the Canadian patent regime, and notable transitional provisions, to prepare you for the changes to come.

1. "Unintentional" Requirement for 42 Month PCT National Phase

Under the New Rules, national phase entry in Canada is still allowable up to 42 months from the priority date of the PCT application, but the applicant will have to submit a statement to the Canadian Intellectual Property Office ("CIPO") that failure to enter the national phase by the 30-month deadline was "unintentional".

Transition consideration: An applicant having a PCT application with an international filing date that precedes the coming-into-force date may enter national phase in Canada up to 42 months after the earliest priority date without establishing that failure to meet the 30-month date was unintentional.

2. "Due care" Requirement for Reinstatement

Some reinstatements will no longer be "as of right". Notably, reinstatement will require a showing of "due care" in regards to: (1) applications abandoned for failure to pay a maintenance fee, (2) applications abandoned as of or after 6 months from the request examination due date for failure to request examination, or (3) patents expired for failure to pay a maintenance fee. CIPO has indicated that they will adopt a standard of due care consistent with PCT receiving office guidelines.

3. Third Party Rights with Abandonment

Under the New Rules, third party rights may accrue during the time that patent rights are uncertain. While the patent rights are uncertain, such as when an applicant or patentee does not take an action that should have been taken, third parties may take actions in good faith that would otherwise constitute an infringement, and may be protected against infringement proceedings



4. Shortened Response Timelines

The New Rules reduce the time limit to: (1) request examination from five years to four years from the filing date; (2) respond to an examiner's requisition from six months to four months from the date of the examiner's requisition, with a possible two-month extension; and (3) pay the final fee from six months to four months from the date of the notice of allowance.

Transition consideration: For a transitional application, the deadline for requesting examination is still five years from the filing date of the application.

5. Changes in Error Correction

The new regime changes the standard for correctable errors from "clerical" to "obvious", and stipulates clear deadlines for correcting common types of errors, such as correcting the identity of the applicant or inventor, or correcting errors in the specification. In particular, there is a six-month deadline for correcting errors in issued patents.

6. Notice of Abandonment and Reinstatement Fee

For certain deadlines, CIPO will be required to notify applicants that the deadlines have been missed (e.g. maintenance fee payment, providing translations, request examination), and that the application will be abandoned. The notice will indicate the deadline to remedy the deficiency and avoid abandonment. If an application is abandoned, it can be reinstated within 12 months of the abandonment date by filing a request for reinstatement, stating the reason for failing to take the action, taking said action, and paying a reinstatement fee. Depending on the cause of abandonment, the due care standard and third party rights may apply.

Transition consideration: If an abandonment of an application occurs before the coming-into-force-date of the New Rules, then the current Patent Rules regarding abandonment and reinstatement will be applicable to such abandonment.

7. Simplified Amendment after Allowance

The New Rules streamline the post-allowance amendment process. The applicant may request that a notice of allowance be withdrawn within four months from the notice of allowance date and before payment of the final fee. Upon withdrawal of the notice of allowance, the application will return to examination, such that further amendments may be made (e.g. to the claims). However, "obvious errors" may be filed as an amendment after allowance.

Transition consideration: The New Rules regarding amendment of the specification after allowance are applicable only if the notice of allowance is sent on or after the coming-into-force date.

8. Simplified Filing Requirements for non-PCT applications

The New Rules relax the filing requirements in order for the applicant to be conferred a filing date. CIPO will confer a filing date when it receives: 1) indication that granting of a Canadian patent is being sought, 2) the applicant's identity, 3) contact information for the applicant, and 4) a description in any language. Notably, at the time of filing, no application fee is required, and the description may not be in English or French (a



translation will have to be filed subsequently). In addition, the applicant may add content to the specification without losing the filing date if the added content is from the priority document.

9. Priority Claims and Priority Restoration

The New Rules will require that certified copies of priority documents be provided to CIPO. For PCT national phase applications, the certified copies of the priority document have to be provided at the time of national phase entry, unless they have already been provided during the international phase.

The New Rules maintain the 12-month deadline for claiming priority to a previously filed application, but further provide a two-month grace period for non-PCT national phase applications to restore the priority claim if the deadline is not met. However, the applicant will have to request restoration of priority, and state that the failure to meet the 12-month deadline was "unintentional". For PCT national phase applications, the grace period is one month.

Transition consideration: An applicant who restores priority in a PCT application before the coming-into-force date of the New Rules cannot rely on that restored priority on national phase entry after the coming-into-force date, but if restoration is accomplished after the coming-into-force date, the applicant may be able to carry forward the restored priority on national entry even though the PCT application was filed before the coming-into-force date.

10. No More Page Fees for Sequence Listings

Excess page fees will not apply to a sequence listing submitted in electronic form.

11. Simplified Process for Changing Patent Ownership

Instead of registering documents to transfer ownership, under the new regime, only the fact of the transfer is recorded. However, when a request to record a transfer is submitted by the transferee, evidence of the transfer is required.

12. File Wrapper Estoppel

There was no (or very little) file wrapper estoppel in the previous patent regime. Under recent amendments to the Patent Act, which are in force as of December 13, 2018, written communication that is: (1) prepared for the prosecution of a patent application, and (2) is between the applicant and CIPO, may be relevant to claim construction. Notably, written communications from CIPO to the applicant may affect claim construction.

13. Expanded Prior Use defence

The amendments to the Patent Act expanded the prior use defence. If a person, in good faith, and before the priority date, committed an act that would infringe the patent, then it is not an infringement of the patent if the person commits the same act on or after the priority date.

For more information or for questions on changes to Canada's patent regime, please contact one of our [patent professionals](#).

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