

From Dilip Andrade;

Email dilip.andrade@ericsson.com;

Subject Comments about the Proposed Practice Notice dated May 14, 2009 on behalf of Ericsson Canada;

Message On behalf of Ericsson Canada, I am submitting the following comments on the Practice Notice. We kindly request that the comments be reviewed and taken into consideration prior to the Practice Notice coming into effect. If there are any questions with regard to our concerns, please feel free to contact me.

Attn: Commissioner of Patents

Re: Request for Comments on the CIPO Practice Notice on Obviousness dated May 14, 2009.

The Canadian Intellectual Property Office has provided a draft Practice Notice seeking public comment. This Practice Notice relates to findings of obviousness, and the applicability of tests set out by the Supreme Court of Canada in the case *Apotex Inc. v. Sanofi-Synthelabo Canada, Inc.* [2008 SCC 61] (hereinafter referred to as *Sanofi.*)

The patent group at Ericsson Canada Inc. would like to request re-evaluation of the Patent Office phrasing of this Practice Notice, especially with regard to the portion of the Notice under the Heading "A. Framing the obviousness inquiry", and in particular Paragraph (1)(b), which states: "Examiners, in formulating objections, may refer to information they believe to be common general knowledge. Unless it becomes evident through the applicant's comments that the nature of the common general knowledge is not common ground and is reasonably in dispute, an examiner need not identify documents establishing the common general knowledge."

We note that this provides the Examiner with authorization to make obviousness based rejections without providing the Applicant any cited references. This is problematic for a number of reasons, both practical and legal, which are discussed in more detail below.

Obviousness is one of the two art-based bars to patentability and is set out by Section 28.3 of the Patent Act, which states:

The subject-matter defined by a claim in an application for a patent in Canada must be subject-matter that would not have been obvious on the claim date to a person skilled in the art or science to which it pertains, having regard to

- (a) information disclosed more than one year before the filing date by the applicant, or by a person who obtained knowledge, directly or indirectly, from the applicant in such a manner that the information became available to the public in Canada or elsewhere; and
- (b) information disclosed before the claim date by a person not mentioned in paragraph (a) in such a manner that the information became available to the public in Canada or elsewhere.

[1993, c. 15, s. 33.]

We submit that the Practice Notice should be amended before adoption because it will serve to prejudice the rights of the Applicant, and will lead to practices that we believe may be contrary to both Section 28.3 of the Patent Act and *Sanofi.*

First looking at this issue in view of *Sanofi* the Commissioner's attention is directed to paragraph [67] of the decision, which states:

In the result I would restate the Windsurfing questions thus:

- (1) (a) Identify the notional "person skilled in the art";
- (b) Identify the relevant common general knowledge of that person;

If *Sanofi* is to be respected both these steps must be undertaken. The first question to be addressed is whether the Examiner is the person that a court would assume to be the "person skilled in the art". This may or may not always be the case. After this determination, the common general knowledge must then be identified. It is submitted that the directions provided in the proposed practice notice do not comply with the requirements of *Sanofi.* There are many cases when an Examiner is not the fictitious person skilled in the art (it is also recognized that in many cases the Patent Agent representing the Applicant may also not be the

fictitious person skilled in the art), and instead has a general background in an art field that may encompass the particular art field of the invention. This may lead the Examiner to make assumptions regarding the state of the art at the time of filing which are inaccurate. Even when the Examiner is the nominal person skilled in the art, stating that matter is common general knowledge and basing the prosecution of an application on this statement is not the same as the required step of identifying the relevant common general knowledge.

Identification of the relevant common general knowledge in a court is typically done either through the use of an expert witness (which as noted above the Examiner may or may not be) or through the production of documents showing what was known at the claim date in question. Where an expert witness is relied upon, both sides typically are asked to agree upon what is considered to be general common knowledge, with differences between the two sides being determined by the judge. It is submitted that the guidance provided by this proposed Practice Notice would seek to reduce the burden on the office and instead shift that burden to the Applicant, without any legal basis for this decision. It is also noted that if an Examiner is to serve as both the expert in the field in determining the state of the common general knowledge, then there is a conflict in having the examiner acting much as a judge would in resolving differences in opinion as to what the common general knowledge is.

Next, we would request that the Commissioner consider the life of an patent application prior to the commencement of examination, as well as the practical repercussions of the processes outlined in the proposed Practice Notice.

* It is common for applications to remain outside the examination queue for a number of years. At some point within five years of the filing date, Examination is requested and the application then waits in queue for examination (waits in excess of 24 months are not unusual, and instead are considered to be quite ordinary) to commence. It is not unreasonable for an application to have waited for 5-7 years from the filing date for the first results of Examination. It should be noted that the claim date is often up to 1 year earlier than the filing date, meaning that first results of the examination process are often 5-8 years after the claim date of the application. Although Examiners are technically trained, it is unfair to them, and to an applicant, to assume that the Examiner of a particular case is able to state the common general knowledge of a field as it existed 8 years previous. As such, it is inappropriate for an Examiner to be permitted to reject claims on the basis of a belief of what was or was not common knowledge on a particular claim date. For an Examiner to state that material was common general knowledge, without providing a citation, this long after the claim date is a dangerous proposition. It places an unnecessary burden on the Applicant to challenge the Examiner.

* Most Applicants in Canada engage the services of a Patent Agent. Upon issuance of an Office Action, the Patent Agent will report the Action to his or her instructing principle, which may either be the applicant or a foreign agent acting on the applicant's behalf. Reporting of an Office Action typically takes 2-4 weeks. If there is a foreign agent involved, there will be another month or so before the Applicant has been notified of the Action. Instructions from the Applicant will take at least as long to work their way through the chain. Thus, responses to Office Actions are rarely responded to any earlier than 3 months after they issue, and often can take almost 6 months to be prepared and filed. If all Applicants immediately question the Examiner's assertion of common general knowledge on the first office action, the pendency of these cases will be increased by the time it takes to both report and respond to the action, and the time it takes for the Examiner to review the response and issue a new action. This will often result in delaying issuance of a valid patent by up to 12 months.

The increased correspondence between Applicant and Examiner damages the patent rights of the Applicant in two ways. Where an outside agent has been retained, it unnecessarily increases the cost of Examination, as the challenged Office Action is still reported to the client and responded to by the agent, both of which are actions that result in the Agent billing the Applicant.

Increasing the pendency of an application reduces the life of the issued patent. The expiry of a patent is established as a function of the filing date of the application, thus extending the pendency of an application reduces the lifespan of the resulting patent. Many license agreements specify two royalty rates, the first rate is lower and is valid during the pendency of the application, while the higher second rate only applies after the patent has issued. Thus by unnecessarily lengthening the prosecution of a case by asking the Applicant to object to a statement asserting that something is common general knowledge before a citation will be provided, the office will be reducing the ability of an Applicant to enjoy the benefits of the invention.

Thus, by permitting Examiners to simply assert that matter was common general knowledge at the claim date of an application, the Commissioner will be increasing the cost of prosecution, diminishing the benefits enjoyed by an Applicant, and will be taking a decision that is likely contrary to the test outlined in Sanofi. These actions will reduce the attractiveness of Canada as a destination for patentees, and may result in

fewer decisions to file in Canada. We, at Ericsson Canada, believe that enacting this Practice Notice, as it currently stands, should not be pursued, and kindly request that the Commissioner of Patents review and revise this policy to safeguard the rights of the Applicants.

On behalf of Ericsson Canada,

Dilip C. Andrade
Patent Agent
Patent Department
8400 Décarie Blvd.
Town of Mount Royal, Quebec, Canada H4P 2N2
dilip.andrade@ericsson.com
Office: +1 514 345 7900 43183
Fax: +1 514 345 7929
Mobile +1 514 299 7213

;

