

**Joint Liaison Committee**  
**Meeting #116**  
**Wednesday, February 11, 2009**

<b>Attendees:</b>	<b>IPIC</b>	<b>Patent Office</b>
	R. Caldwell	B. de Schneider
	M. Paton	P. Fitzner
	K. Lachaine	L. Giardina
	E. Saffman	D. Campbell
	A. Brett	S. Vasudev
	H. Probert	M. Gillen
	I. Clark	S. Périard
	L. Barteszewicz	A. Patry
	L.P. Gravelle	P. Mayrand
	J. Paxton	C. Evans
	M Gerin	S. Tupper
	S. Beney	

<b>Via Conference Call*</b>	<b>CIPO Observers</b>
K. Sechley	M. Kuzic
C. Goyer	K. de Rainville
S. Zhang	
L. Sim	
B. W.K. Chan	
M. Arnolds	
M. Eisen	

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**1. MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting of October 22, 2008, were approved without amendment.

**2. BUSINESS ARISING**

#### **4k Requisitions Relating to Titles**

S. Périard informed the committee that a Patent Notice was issued on January 27, 2009, clarifying the Office's position with respect to the practice of changing titles of invention in patent applications. In instances where the title of the invention in the description differs from the title in the Petition for Grant of a Patent (for applications other than PCT national phase applications), the Request under article 4 of the PCT or the Request for Entry into the National Phase in Canada, the Office will only have regard to the title as specified in the description.

#### **4f General Authorization**

Based on concerns raised previously by D. Schwartz, the Office agreed to review the concept of conditional reinstatement requests and its implications in terms of responsibility to the Office.

S. Vasudev responded that the issue remains still under consideration and requested that the issue be brought forward to the next agenda.

#### **4g CIPO's Rule 29 Practice**

Based on concerns raised previously by D. Schwartz, the Office agreed to issue an Exam Memo to examiners reiterating the Office's practice regarding the application of section 29 of the Patent Rules in Office reports. A copy of the Exam Memo was included in the packages distributed to the members of the committee.

C. Evans summarized the Exam Memo for the committee, highlighting when and how Rule 29 should be applied by examiners.

### **3. ON-GOING ITEMS**

B. de Schneider began by opening a general discussion of the downturn in the economy and its implications on workflow for the Office and the profession. An open dialogue may help to reveal workflow trends and allow both the Office and the profession to better navigate the economical challenges to come.

The Office forecasted 42900 patent application filings for the 2008-09 fiscal year (ending March 31) and it appears that filings will actually reach only 41000, four percent below expectations. However, requests for examination are ahead of forecasts.

I. Clark commented that a measurement of the volume of abandonments may provide a tool to measure the pulse of workflow trends. R. Caldwell noted that both Canadian and US

Biotechnology firms appear not to be pursuing all their biotech-based applications. B. de Schneider added that the payment of maintenance fees currently appears to be steady.

On-going comments and advice from the profession regarding workflow trends would be appreciated.

### **3a Inventory/Turn-Around Time Reports**

“*Dashboard Highlights*” for January 2009 and *Additional Patent Statistics* for January 2009 were included in the JLC members’ information packages.

L. Giardina summarized Patent Examination’s “Dashboard Highlights” for the committee. As of January, 2009, the branch has achieved 95.8% of its goal towards 35,586 disposals by March 31, 2009. For the last quarter, examination inputs (requests) have exceeded outputs (allowances). This trend should prove temporary as more examiners complete their training and examine full-time. Each examination discipline continues to make progress toward achieving its turnaround goal for 80% of applications awaiting a first substantive examination action. The Mechanical division stands at 20 months (goal: 18 months), Organic Chemistry at 22 months (goal: 21 months), General Chemistry at 24 months (goal: 21 months) and both Electrical and Biotechnology at 33 months (goals: 30 months). Additional hiring is planned for the Electrical, Biotechnology and Organic Chemistry disciplines in order to bolster the examination workforce in these areas.

L. Barteszewicz expressed concerns about the number of examiners away on leave and the resultant impact on turn-around times. Ms. Barteszewicz suggested that the Canadian market is a tough sell when turn-around times are so long. B. de Schneider responded that every attempt is made to re-assign the workload of examiners away on leave. However, all examiners already have full workloads and therefore delays do occur and reassignment of cases is not a long-term solution. Additional hiring is proceeding as quickly as the Office can recruit and train new examiners. M. Gillen added that currently 20% of the Biotech examiners are on long term leave but that progress is still being made. Two years ago the back-log in biotech was 10,100 unreported applications with a request for examination; today it stands at about 8,000.

B. de Schneider added that nine electrical examiners were hired February 4 and the Office is seeking additional examiners in the Electrical, Mechanical, Biotech and Organic Chemistry areas this Spring.

Any specific applications that appear to have experienced an unacceptable delay should be identified by a submission through the Corporate Feedback Mechanism.

S. Périard discussed turn-around-times in Operations. The issuance of filing certificates for patent applications meeting filing requirements stands at 3.6 weeks (surpassing the goal of 4 weeks). A front end log-jam in mail sort and scanning together with training and technical issues

has resulted in significant delays in the issuance of confirmations of national entries for PCT applications meeting entry requirements, which stands at 15.8 weeks (target: 8 weeks). It is expected that the standard of 8 weeks should be met by the end of May, 2009. The issuance of ownership registration certificates currently stands at 8 weeks but should reach the stated goal of 6 weeks by May 31, 2009.

H. Probert stated that the delays being experienced in PCT National Entries are of great concern to the profession and diligent efforts to resolve the delays would be appreciated.

### **3b Corporate Feedback Mechanism Report**

A report summarising feedback received during the period April 1, 2008 to December 31, 2008 was included in the JLC members' information packages.

B. de Schneider reported that the most significant change was an increase from zero to nine complaints related to the payment of fees. Management will be analysing all the issues identified by the mechanism and taking remedial action where necessary.

K. Lachaine reported that recently she has been receiving letters from the Office indicating that her submissions to the Mechanism enquiring as to when an application would be examined were deemed to be an improper use of the Mechanism. D. Campbell clarified that the Mechanism should be utilized to identify applications that have been delayed beyond times previously promised but should not be used for a routine status enquiry or as a routine enquiry as to when an application will reach examination.

B. de Schneider encouraged the profession to continue using the Feedback Mechanism because it is the best vehicle to inform the Joint Liaison Committee of emerging issues of common concern.

## **4. NEW BUSINESS**

### **4a Regulations Update**

S. Vasudev provided a regulations update to the committee. The improvement of Canada's IP Administrative Framework is one of CIPO's five strategic priorities within its 2007 to 2012 Strategic Plan. Over the last several months, CIPO has held public consultation on two packages of amendments and as presently envisaged, consultation on an additional two packages should occur later this year.

S. Vaudev thanked IPIC and its various committees for their involvement in the consultation process.

In terms of next steps, once the consultation period expires, the comments received will be posted and all proposals will be finalized in view of the comments. The regulatory process will then be followed to gain approval to begin official consultation through republication in Part 1 of the Canada Gazette. The proposed amendments were packaged in a manner that would take into account the nature of the modification (PAB, Examination, Operations) and the difficulty in implementing them (training requirements, IT projects, etc.). The changes proposed in Package 1 are expected to be pre-published in July, 2009, and be in effect in November, 2009. The changes proposed in Package 2 are expected to be pre-published in Gazette 1 in September, 2009, and be in force in May, 2010.

#### **4b Patent Prosecution Highway (PPH) Update**

S. Vasudev informed the committee that the one year Patent Prosecution Highway (PPH) pilot program between CIPO and the USPTO concluded on January 28, 2009. Desiring to obtain more statistics and information to adequately assess the feasibility of a permanent program, the two Offices agreed to extend the pilot for an additional two year period ending on January 28, 2011.

The extension of the pilot with the USPTO coincided with a modification to the requirements with the intent of expanding potential participation in this initiative. As of January 26, 2009, certain patent applications based on Patent Cooperation Treaty (PCT) filings (where the PCT application does not contain any priority claim) will also qualify to participate in the PPH pilot program. Details of this modification can be found in the PPH section of our website.

As a post-mortem to the initial one year pilot, CIPO received 431 requests and the USPTO received 6. The 431 requests is significant in that it far exceeds any one year total from any other PPH arrangement. Forty five percent of the requests were in the mechanical art, 32% in electrical, with biotech accounting for only 4%. The average First Action pendency for a PPH request was 1.5 months and 42.5% of PPH requests were in a condition for allowance at First Action.

CIPO continues to have discussions with other Offices interested in engaging in a PPH pilot with Canada. Talks were most advanced with the Japanese Patent Office but negotiations have stalled over a translation issue. The Commissioner of Patents, Mary Carman, and S. Vasudev will be attending a meeting in Copenhagen to join all existing PPH participating Offices in discussions concerning the possibilities of creating a PPH plurilateral framework.

Members of the profession indicated a desire to see a PPH arrangement between Canada and the European Patent Office (EPO).

#### **4c MOPOP Update**

C. Evans provided to the committee an update on the revisions to the Manual of Patent Office Practice (MOPOP). After consultation with the profession over the last year, a new Chapter 17 (Biotechnology) was released on January 14, 2009. The Office is currently working on Chapters 12 (Subject Matter and Utility) and 13 (Examination of Applications) and it is expected that draft versions of these chapters will be available for consultation jointly in late Spring, 2009. A revised Chapter 6 (Assignments) should be available for comments during Summer, 2009. Work on revising Chapter 9 (Description) also continues.

#### **4d Section 8 Update**

S. Vasudev provided to the committee an update on Section 8 requests. Progress is being made on the back-log. There are currently 51 outstanding Section 8 requests pending. The majority of these have been filed for less than three months. However, 18 Section 8 requests have been pending for more than 9 months; all of which have been considered and await the issuance of final letters by the Office. An update on Section 8 requests will continue to be provided until such time as all requests have been pending for less than 3 months.

L. Barteszewicz expressed frustration over the number of boiler plate Section 8 rejection letters she has received in the past and that it can take over a year to gain further action by the Office. S. Vasudev responded that responses may be expected within 3 months of filing in the future.

#### **4e CIPO Accuracy in Determining Dates when Amendments are Submitted**

D. Schwartz expressed concerns about the inaccuracy of the Notice of Allowances issued by the Office with regard to what is indicated to be the last amendment date. When the last correspondence provides no amendment but only a submission of prior art, the Notice still indicates the correspondence date to be an amendment date. This causes confusion for the applicant and raises concerns that the applicant's and CIPO's versions of the application may not be the same.

D. Campbell responded that when the Office issues a Notice of Allowance, the TechSource system automatically populates the Notice with the date of the last correspondence from the applicant in order to give an indication that the Office has taken into account correspondence to that date. The actual Notice identifies the date of the last correspondence as an amendment date which can create confusion if, in fact, the last correspondence was instead a submission of prior art. As the Office issues over 15,000 such Notices a year, it is not feasible to manually confirm that the last correspondence was an actual amendment. The Office is examining the technical hurdles of updating the web-site to include the latest version of an application when a Notice of Allowance is issued so that the applicant can confirm that it is the correct version to be granted. Currently, the web-site is only updated at the time of grant.

A. Brett expressed concern about the uncertainty that amendments to applications before and after allowance are entered correctly and emphasized the importance that the applicant's version and CIPO's version of the application be the same as the application proceeds to grant.

K. Lachaine indicated a lack of enthusiasm towards the amount of work that would be involved in checking applications page by page on the web-site to confirm that the correct version is proceeding to allowance. It would be preferred that the Notice of Allowance either correctly indicate the last amendment date or simply refer to the last correspondence date.

#### **4f Errors in Applying Fees**

C. Ledgely raised concerns about the misapplication of fees by CIPO and the reversal of any resultant abandonment.

S. Périard responded that the misapplication of fees due to an error by CIPO, once identified, would be corrected in the TechSource system and the abandonment reversed.

#### **4g Letter Confirming Good Standing**

C. Ledgely complained that the reversal of incorrect abandonments by CIPO did not always result in a letter to the applicant confirming the reversal and the good standing of the application.

S. Périard responded that a confirmation letter should always be sent to the applicant and that she would remind staff that this is the procedure.

#### **4h Errors with Electronic Filing System**

S. Beney raised concerns over submission of documents electronically. It appears that CIPO receives the submissions electronically, but then prints them out to scan into the TechSource system. Occasionally, errors occur and the correct documents do not all reach TechSource. Although CIPO has been diligent in correcting any errors, this results in the unnecessary use of resources by both CIPO and the applicant. Why are these errors occurring and what assurance does the applicant have that all files submitted are received?

S. Périard responded that it is a priority of the Office to upgrade the system to permit electronic submissions to be transferred directly to TechSource. Currently, the Office receives electronic submissions together with a list of attachments. The attachments are verified as well as any fees submitted. The entire submission is archived in the system and is subject to later verification, if necessary. The transfer of the submissions to the TechSource system is subject to a quality

assurance procedure. Any discrepancies identified can be retraced through the archived version of the submission.

S. Périard reminded the profession that it is essential to click on “add” when submitting attachments electronically to ensure that the attachments are received by the Office.

R. Caldwell suggested that an improvement to the electronic submission system would be to have the ability to verify the attachments before clicking on the send button. S. Périard acknowledged that this would be an improvement and indicated that she would bring the suggestion forward to the IT people.

#### **4i Recordation of Assignments**

S. Chari raised concerns over a letter received from CIPO where an assignment fee is to be refunded because the Office transferred information from the declaration of entitlement rather than bringing forward an assignment from the parent application as requested by the applicant.

K. Lachaine questioned CIPO’s policy regarding “other document” in the assignment handling procedure to identify all documents noted in the declaration of entitlement.

M. Eisen questioned CIPO’s procedures about notifying the applicant when a third party registers an assignment against an applicant’s patent.

S. Périard replied that divisional applications filed before June, 2007, do not require a declaration of entitlement and previous assignments can be brought forward when necessary. For applications filed after June, 2007, a declaration of entitlement must be submitted. With regard to third party assignments, about five years ago the Office stopped sending notification letters to applicants when third party assignments are registered against issued patents. However, the Office still sends notification letters to applicants when third party assignments are registered against pending applications. Due to limitations in the TechSource system, assignments are registered as “other documents” on applications that have a declaration of entitlement.

#### **4j Double Patenting Rejections**

A. Zahl questioned Examiners raising double patenting objections based on subsequently filed applications. It is his opinion that double patenting objections should not be made when a previous application contains the overlapping subject matter.

D. Campbell responded that were the Office to adopt such a practice, then the Office would be deciding which application was to include the overlapping subject matter as opposed to the

applicant.

Members of the profession present at the meeting concurred with the Office's position on this issue.

#### **4k Searches on the CIPO Website**

S. Rancourt questioned whether it would be possible to modify the searching ability of CIPO's website so that patent numbers could be searched without commas and so that "dead" and/or "lapsed" patents and applications could also be excluded.

IPIC requested that this item be deferred to the next agenda.

#### **4l Provisions of Filing Divisional Patent Applications**

S. Rancourt questioned CIPO's policy allowing the filing of divisional applications even after the parent application issues to grant when section 36 of the Patent Act requires that all divisionals be filed before the parent issues.

IPIC requested that this item be deferred to the next agenda.

#### **4m Rule 81 - Objections for Failing to Provide a Publication Date**

S. Rancourt questioned CIPO's policy regarding the section 81(3) of the Patent Rules requirement for the provision of publication dates in the description of an application for published applications or patents. The Manual of Patent Office Practice (MOPOP) indicates that the provision of publication dates is not required

It was agreed that this item would be brought forward to the next agenda.

#### **4n Maintenance Fee Payments**

M. Eisen expressed concerns about the "Patent Branch Maintenance Fee Calculation Sheet" and the absence of a column for the late fee payment of \$200 as distinct from the payment required for reinstatement.

S. Périard acknowledged that the "Patent Branch Maintenance Fee Calculation Sheet" does not have a column for the submission of a late fee. It is planned to modify the sheet to include an

appropriate column for the late fee. In the meantime, it is suggested to use the reinstatement column for the late fee submission.

This item is to be brought forward to the next agenda.

#### **4o Re-allowance Notice**

M. Eisen questioned CIPO's practice of automatically applying the final fee on subsequently allowed applications that previously have been reinstated after being abandoned through failure to pay the final fee. This removes the applicant's ability to amend the application further. As well, Mr. Eisen is concerned that the subsequent letter of allowance issued by the Office failed to indicate the number of claims approved.

D. Campbell responded that this situation is relatively rare with only about 200 applications a year falling into this situation; namely being allowed, abandoned, reinstated, and further examined. Section 33(2)(b) of the Patent Act precludes such applications from being amended after a new notice has been sent. The second Notice of Allowance is generated manually, so it would be possible to indicate therein the number of claims and last amendment date.

#### **4p Confirmation of Amendments under Section 31**

D. Schwartz raised concerns over CIPO's failure to provide acknowledgement of the addition or removal under section 31 of an inventor, applicant and/or owner from a patent application. Despite repeated written requests that such written acknowledgement be provided, CIPO has failed to provide such acknowledgement.

S. Vasudev replied "While I believe that it is debatable that the wording of section 31 of the Patent Rules requires the Commissioner to take an action after having been satisfied (or unsatisfied), I would agree that under the general principles of natural justice, as well as the first lesson taught in Client Service 101, it is always a good rule of thumb to inform the requestor once a decision has been taken".

S. Vasudev further stated "The Office has identified some inconsistencies and/or deficiencies in the way we respond to different request. David's comment adds to that list. With amendments to the Patent Rules being put in place it will be incumbent upon the Office to review many different correspondence templates and introduce some new ones. This particular one will be done at that time. If through your interactions with the Office you have come across any other examples like this one, we would be grateful to receive a compilation of those from IPIC".

#### **4q Restriction Requirements without Claim Groupings**

Note: This issue was previously discussed in the minutes of February 28, 2007.

L. Bartoszewicz raised concerns over examiners' actions requiring restriction without a formal identification of the groups of inventions. This creates the potential for double patenting objections down the road if the examiner disagrees with the applicant over what constitutes separate inventions. As well, the applicant is not given the opportunity to disagree with the position of the examiner because the examiner has been silent as to the identity of the groups of inventions.

L. Giardina responded that it is CIPO policy that all groups of inventions must explicitly identified by the examiner in any restriction requirement. The Corporate Feedback Mechanism should be utilized by the profession when this situation occurs so that the matter can be identified and rectified.

#### **4r Rejections to the Number of Claims**

L. Bartoszewicz raised concerns over examiner objections to the number of claims on the basis of Rule 84 and a lack of conciseness. It is her position that Rule 84 requires that each claim be concise in and of itself as opposed to relative to each other.

D. Campbell responded that the issue of the number of claims present in an application is long-standing and referred the committee to a 1933 court case entitled "Schweyer Electric & Manufacturing Co. v. New York Central Railway" (a copy of which was included in the members' information packages) where the judge expressed consternation over the number of claims and the resultant confusion caused. The Office position is that the term "concise", as stated in Rule 84, means that each claim must be concise relative to itself and to other claims. It is noted that this interpretation is also followed by the EPO. The purpose of these objections is to require that the claims focus on the point of invention as opposed to permitting a plethora of similar claims that render the point of invention indefinite or obscure. The applicant is entitled to file as many claims as deemed appropriate, but the claims must define the invention concisely such that the point of the invention is apparent. It is the intent that examiner actions including conciseness objections under section 84 of the Patent Rules be utilized when it is difficult or impossible to determine what the invention is.

#### **4s Rejections Under Section 2 to Claims that could be used for Medical Purposes**

L. Bartoszewicz raised concerns about examiners objecting under section 2 of the Patent Act to claims that "could be used as a medical treatment" as opposed to those that are directed to medical treatment.

M. Gillen responded that such examiner objections are likely derived from the ICI court case from the 1980s which discusses medical versus cosmetic applications. If it is possible for a medical treatment to be effected by the claim, the objections are justified. Mr. Gillen suggested that disputed objections could be evaluated on a case-by-case basis by utilizing the Corporate Feedback Mechanism and providing the specific serial numbers.

#### **4t Examination of the Wrong Claims**

A. Brett raised concerns over examiner reports that issue when the examiner has evaluated the wrong claims because amendments made during the international phase have not been entered or have not been entered correctly. As well, when an office action is withdrawn due to the examination of the incorrect claims, the applicant often fails to receive a written confirmation that the action is withdrawn.

L. Giardina responded that it is CIPO practice to issue a confirmation letter when an examiner's report is withdrawn and to update TechSource accordingly. However, CIPO does not necessarily receive all IPERs or IPRPs from foreign jurisdictions which leads to the problem.

### **5. OTHER BUSINESS**

#### **5a Lost Mail from January 8, 2008**

E. Saffman raised concerns about examiner actions issued by the Office that were not received by applicants. Through abandonment notices and routine status checks, it became apparent that many examiner reports issued January 8, 2008, were not received by the agent's offices in Montreal, Vancouver and Toronto. This raises concerns that applicant rights could be irrevocably lost if it does not become apparent later that mail went missing.

P. Mayrand responded that the Office issues at least 150 examiners' actions each business day which are sent by regular mail. If mail is not received, the provision of an affidavit outlining the circumstances will be accepted by the Office and will result in the examiners' actions being withdrawn and the TechSource system updated accordingly. The Office deems mail not received by the applicant to have never been sent. Currently, the Office is not considering the use of registered mail.

S. Périard added that any additional concerns can be directed to her.

**6. ITEMS PREVIOUSLY ADDRESSED**

Status of Signal Claims Submission (letter to Jim Palmer dated October 15, 2008)

**7. SPECIFIC ENQUIRIES**

No such items were identified.

**8. NEXT MEETING**

The next meeting is scheduled to take place June 17, 2009 [at 9:30 a.m. in Room D, 24<sup>th</sup> floor, Place du Portage, Phase I, 50 rue Victoria, Gatineau QC K1A 0C9].

The meeting adjourned at 12:20 pm.

Steven Tupper

