



## CANADIAN PATENT NEWS

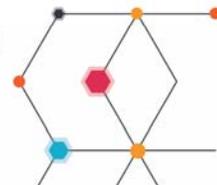
### HOW WILL THE CHANGES COMING OCTOBER 30, 2019 AFFECT YOU?

After years of anticipation, Canada's new *Patent Act and Rules* will come into force on October 30, 2019. These changes will bring Canada into compliance with the Patent Law Treaty and align Canadian patent practice with international practices.

Applicants will certainly benefit from the revisions to the patent system in Canada, however, there are some significant adjustments from current practice that require attention and careful planning. We have provided below a summary of how these changes will affect your Canadian patent matters.

#### **Currently Pending Canadian Patent Applications**

1. *Reinstatement of Patents and Patent Applications Abandoned Prior to October 30, 2019*
  - Patents and patent applications that are already abandoned on October 30, 2019, for any reason, can be reinstated as a matter of right within 12 months of the already-established abandonment date.
2. *Deadline for Requisition Dated Prior to October 30, 2019:*
  - The deadline will be as set out in the Requisition (e.g., Examiner's Report).
  - If the deadline is missed, the application will become abandoned, whereby reinstatement will be available as a matter of right within 12 months of the missed deadline.
3. *Requesting Examination*
  - Examination must be requested before the expiry of 5 years from the filing date (which is the International filing date in the case of PCT National Phase entry applications).
  - If the 5 year deadline for requesting examination is missed, there will be a grace period before the application is abandoned. This grace period will extend to the later of 6 months from the deadline and two months after a late notice is issued



from the Canadian Intellectual Property Office. Payment of examination fee during the grace period will require a late fee payment.

- If examination is not requested and the required fees are not paid before expiry of the grace period the application will be abandoned. If the Applicant then wishes to reinstate the application, there is a new requirement that the reinstatement be accompanied by a statement indicating the reasons for failure to take the action and that this failure “occurred in spite of due care.” Reinstatement will only be granted if the Commissioner of Patents then determines that the deadline was, in fact, missed in spite of the due care required by the circumstances having been taken. It is extremely important to note that no standard has yet been set as to what constitutes “due care.”

4. *Examiner’s Reports Issued On or After October 30, 2019*

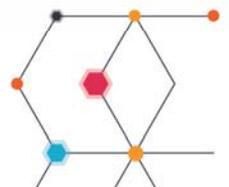
- Requisitions issued on or after October 30, 2019 will have a shorter term of 4 months for responding, rather than the previous 6 months. These shorter deadlines will be extendable, for a fee, to a maximum of 6 months if the extension is requested prior to expiry of the deadline. Note that obtaining an extension will result in loss of expedited examination under the “special order” procedure.
- If the requisition deadline is not met, then the application will become abandoned but can be reinstated within 12 months of the date of abandonment.

5. *Final Fees and Notice of Allowances Issued After October 30, 2019*

- Applications that receive a Notice of Allowance on or after October 30, 2019 will have a shortened deadline for payment of the Final Fee of 4 months from the date of the Notice of Allowance.
- Applications in which a sequence listing was submitted electronically will no longer be subject to excess page fees for the electronic sequence listing.
- If there is a desire to re-open prosecution after a Notice of Allowance has been issued (e.g., to further amend the allowed claims, add new claims, etc.), there will be a new mechanism to re-open prosecution upon payment of a fee as long as this request is submitted by the date that the Final Fee is due and prior to payment of the final fee.
- If the deadline of paying the Final Fee is missed, then the application will be abandoned, but can be reinstated within 12 months of the date of abandonment.

6. *Maintenance Fees Due On or After October 30, 2019*

- If these fees are not paid by the deadline, there will be a grace period before the application is abandoned. This grace period will extend to the later of 6 months



from the deadline and two months after a late notice is issued from the Canadian Intellectual Property Office. Payment of maintenance fees during the grace period will require a late fee payment.

- If the fees are not paid before expiry of the grace period the application will be abandoned. If the Applicant then wishes to reinstate the application, there is a new requirement that the reinstatement be accompanied by a statement indicating the reasons for failure to take the action and that this failure “occurred in spite of due care.” Reinstatement will only be granted if the Commissioner of Patents then determines that the deadline was, in fact, missed in spite of the due care required by the circumstances having been taken. It is extremely important to note that no standard has yet been set as to what constitutes “due care.”

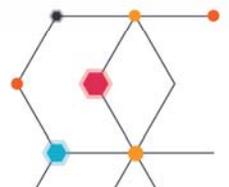
7. *Chain of Title Updates*

- As of October 30, 2019 the Applicant or Patentee can request recordal of a transfer in ownership without submitting evidence of the transfer. A transfer can also be recorded by a Transferee, but only if the Transferee makes the request together with submission of evidence of the transfer.

**Canadian Patent Applications Filed or Entering National Phase On or After October 30, 2019**

1. *Canadian Applications Other than National Phase Entry Applications*

- The requirements to obtain a filing date in Canada will be greatly simplified; the filing fee and a translation of an application into English or French will no longer be required to obtain a filing date. If the application is not filed in English or French, then the Canadian Intellectual Property Office will issue a notice requiring that the translation be furnished within 2 months. If not paid at the time of filing, the filing fee must be paid, together with a late fee, within 3 months of a notice issued by the Canadian Intellectual Property Office.
- A certified copy of any priority application(s) will now be required within the later of 4 months from filing an application and 16 months from the priority date.
- In the case where an application is not filed in Canada within 12 months of the priority date, it will be possible to file an application in Canada no later than 2 months after the expiry of the 12 month period from the priority date upon a showing failure to file the application within the 12 months from the priority date was “unintentional.”



2. *PCT National Phase Entry*

A. *International Filing Date Before October 30, 2019*

- National phase entry procedures and requirements for these applications will remain unchanged.
- Of particular note, the deadline for National Phase entry will continue to be 30 months from the earliest priority date but the 42 month late entry will remain available for these applications, as a matter of right.

B. *International Filing Date On or After October 30, 2019*

- The deadline for National Phase entry will continue to be 30 months from the earliest priority date and it will still be possible to enter the National Phase up to 42 months from the earliest priority date but only **with a request that the rights of the applicant be reinstated and a statement that the failure to meet the 30 month deadline was “unintentional.”**
- A certified copy of the priority application(s) must be supplied concurrently with filing a request for entry into the National Phase in Canada, UNLESS a certified copy was already provided during the International Phase.
- The filing fee and a translation of the application into English or French will still be required at the time of National Phase entry.

3. *Restoration of Priority*

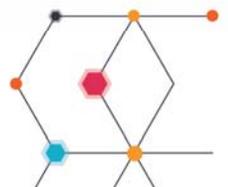
- Restoration of priority will be available, upon showing that failure to file within 12 months from priority was “unintentional”, if:
  - i. priority was restored during the International Phase,
  - ii. a request for restoration of priority is submitted within one month from the date of national entry, or
  - iii. a Canadian application is filed within 14 month (12 months plus 2 months) from the filing date of the priority application a request for restoration of priority is submitted within that time.

4. *Grace Period*

- An inventor derived disclosure is not citable against an application provided that a valid priority application or a Canadian application is filed within 12 months of that disclosure. Previously, an application had to be filed in Canada within 12 months of a disclosure and a priority filing date could not be relied upon.

5. *Submission of Missing Information from Priority Application*

- Subject matter that is missing from the specification at the time of filing in Canada but that is present in a previously filed application may be incorporated into the Canadian application by referring to the previously filed application.



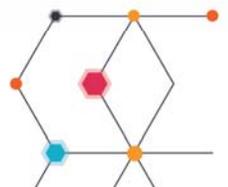
Such a request must be made by the earliest of 2 months of a notice from the Canadian Intellectual Property Office or 6 months of filing an application in Canada. If the previously filed application was not filed in English or French then an appropriate translation must also be supplied.

6. *Revised Deadline for Requesting Examination*

- The deadline for requesting examination of applications have a filing date, including an International filing date, prior to October 30, 2019 will be five years from that filing date.
- The deadline for requesting examination of a patent application having a Canadian filing date or an International filing date on or after October 30, 2019 will be 4 years from that filing date.
- If examination is not requested, and the requisite fees paid, by the deadline, there will be a grace period before the application is abandoned. This grace period will extend to the later of 6 months from the deadline and two months after a late notice is issued from the Canadian Intellectual Property Office. Payment of examination fees during the grace period will require a late fee payment.
- If examination is not requested, and the fees are not paid, before expiry of the grace period, then the application will be abandoned. If the Applicant then wishes to reinstate the application, the request for reinstatement must be accompanied by a statement indicating the reasons for failure to take the action and that this failure “occurred in spite of due care.” Reinstatement will only be granted if the Commissioner of Patents then determines that the deadline was, in fact, missed in spite of the due care required by the circumstances having been taken.

7. *Maintenance Fees*

- On or after October 30, 2019, *anyone* can pay a maintenance fee on a pending patent application. Currently, this is only possible in respect of granted patents.
- If a maintenance fee payment deadline is missed, there will be a grace period before the application is abandoned. This grace period will extend to the later of 6 months from the missed deadline and two months after a late notice is issued from the Canadian Intellectual Property Office. Payment of maintenance fees during the grace period will require a late fee payment.
- If the fees are not paid before expiry of the grace period, then the application will be abandoned. If the Applicant then wishes to reinstate the application, the request for reinstatement must be accompanied by a statement indicating the reasons for failure to take the action and that this failure “occurred in spite of due care.” Reinstatement will only be granted if the Commissioner of Patents



then determines that the deadline was, in fact, missed in spite of the due care required by the circumstances having been taken.

8. *Final Fees and Notice of Allowances*

- The deadline for payment of the Final Fee will be 4 months from the date of the Notice of Allowance.
- Applications in which a sequence listing was submitted electronically will no longer be subject to excess page fees for the electronic sequence listing.
- If there is a desire to re-open prosecution after a Notice of Allowance has been issued (e.g., to further amend the allowed claims, add new claims, etc.), there will be a new mechanism to re-open prosecution upon payment of a fee as long as this request is submitted by the date that the Final Fee is due and prior to payment of the final fee.
- If the deadline of paying the Final Fee is missed, then the application will be abandoned, but can be reinstated within 12 months of the date of abandonment.

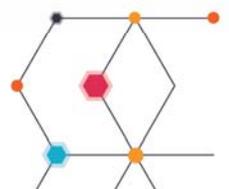
9. *Applicant/Inventor Updates and Corrections*

- The Applicant or Patentee can request recordal of a transfer in ownership without submitting evidence of the transfer. A transfer can also be recorded by a Transferee, but only if the Transferee makes the request together with submission of evidence of the transfer.
- An error in the identity of an applicant may be corrected at any time on or before publication of a non-PCT application or within three months of National Phase entry of a PCT application.
- An error in the identity of an inventor may be corrected prior to allowance, and an error in the name (rather than the actual identity) of an inventor may be corrected on or before the time of paying the Final Fee.

10. *Abandonment, Reinstatement and Third Party Rights*

- Currently, when an application or patent is abandoned and then reinstated in Canada there is no loss of rights associated with the period during which the application is abandoned. However, after October 30, 2019, for any missed maintenance fee or examination fee payments, there will now be intervening third party rights that will accrue from 6 months after the missed deadline.

The upcoming changes to the Canadian patent system are the most significant development in this area in 30 years. The procedures and mechanisms by which the new *Patent Act* and *Patent Rules* will be implemented by the Canadian Intellectual Property Office, and interpreted by the Canadian Courts, remains to be seen. Of particular importance will be the interpretation given



by the Canadian Intellectual Property Office and the Courts to what is meant by “due care” and “unintentional.”

We will be closely monitoring the implementation of the new *Patent Act* and *Patent Rules* and will continue to keep our clients apprised of any significant developments.

The comments provided herein are merely intended to highlight those changes that are most relevant to ongoing patent prosecution in Canada and should not be considered to be a complete and comprehensive synopsis of the upcoming amendments.

If you have any questions regarding patent protection in Canada or the impending changes, we would be pleased to discuss individual needs with you directly.

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