

Significant Changes Are On The Horizon For Canadian Patent Prosecution

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On December 16, 2014, Bill C-43 received Royal Assent. The legislation included long-awaited amendments to Canada's Patent Act to implement obligations under the Patent Law Treaty (PLT). Many of the practical details of how these changes were to be implemented were left to the then-unwritten changes to the Patent Rules.

Draft changes to the Patent Rules (the new rules) to implement the PLT were circulated for consultation in 2017, and a revised rule package was published in Canada Gazette, Part 1 in late 2018. The new rules will be published in the Canada Gazette, Part 2 on July 10, 2019. This is a procedural requirement for coming into force. However, unofficial indications are that any further changes will be minor ones. Implementation will occur on October 30, 2019.

Almost five years on from Bill C-43, we now have a much better understanding of the details of its practical impacts, including significant changes to some of the best-known aspects of the Canadian patent system. This article provides an overview of some of the most significant changes, with a focus on examination before the Canadian Intellectual Property Office (CIPO) and maintenance.

The period of deferred examination will be shorter . Currently, examination may be requested in Canada up to five years from the international filing date. Although it was initially proposed to shorten this period more significantly, the new deadline will be four years from the international filing date.¹

Office Action response and Final Fee deadlines will be shortening . The deadlines for responding to an Office Action and paying a Final Fee will shorten from six months to four months.² **Office Action response deadlines will be extendible by up to two months** from the original deadline if the request is submitted with the required extension fee before expiry of the original deadline, and if the Commissioner considers that the circumstances justify the extension.^{3, 4}

It will be necessary to identify and explain amendments . The new rules stipulate that amendments to the specification or drawings must be submitted on replacement pages, which must be accompanied by a statement that explains the purpose of the

amendment and identifies the differences between the new page and the replaced page.⁵

There will be no abandonment without notice . A key element of the changes under the PLT is to ensure that abandonment does not occur without prior notice. In this respect, Canada will move closer to other jurisdictions in which corrective action can be undertaken within a late fee period prior to abandonment taking effect.

Different types of deadlines will be handled under different notification, late fee, and reinstatement regimes - some of the latter involving a “due care” standard . The new rules have different impacts for deadlines calculated from the filing date and deadlines triggered by requisitions (e.g., Office Actions).

Deadlines triggered by requisitions are already signalled by the issuance of a requisition notice, and their handling under the new rules is largely unchanged.

Missed deadlines determined by the filing date will now be signalled by a notice, which will set the end date for a period of time during which corrective action can be taken with payment of a late fee. After that, an application will be considered abandoned and a **reinstatement period will ensue. Some of these reinstatement periods will carry a “due care” standard, requiring reasons for the abandonment to be submitted for the Commissioner’s consideration.** CIPO has yet to provide guidance for “due care” requirements.

Missed deadlines of different types will trigger different timelines and requirements for corrective action. For example, a missed examination request deadline that extends beyond the late fee period may (depending on the timing of the notice) trigger a **brief period during which reinstatement is available as of right. A “due care” reinstatement period will then apply.** However, missed maintenance fee deadlines will not be **amenable to reinstatement as of right after the late fee period. A “due care” standard will always apply, and the reinstatement period will be differently calculated for applications and issued patents.**

Reinstatement will still be available as of right within one year of a missed Office Action response deadline . Although the 2017 draft had indicated an end to reinstatement as of right for missed Office Action response deadlines, this important element of Canadian examination has been maintained in the latest rule package.

Key late fee and reinstatement periods under the news rules are summarized in the table below :

Deadline Type	Late Fee Period	Reinstatement as of Right	Due Care Reinstatement
Maintenance Fee (application)	Up to the later of 2 months from the notice and 6 months from the original deadline ⁶	N/A	Up to 12 months from the end of the late fee period ⁷

Examination Request	Up to 2 months from the notice ⁸	Up to 6 months from the original deadline ⁹	Up to 12 months from the end of the late fee period ¹⁰
Examiner Requisitions (e.g., Office Action response deadlines)	N/A	Up to 12 months from the original deadline ¹¹	N/A ¹²
Final Fee	N/A	Up to 12 months from the original deadline ¹³	N/A ¹⁴

Third party rights may arise after a missed deadline. The new rules also establish periods during which intervening third party rights may arise following a missed deadline. These periods generally do not align late fee or reinstatement periods, and will be explained in part four of this series. Applicants can therefore expect docketing procedures to become much more complex once the new rules come into force.

It will be possible to request withdrawal of a Notice of Allowance . When it is desired to **reopen examination after receiving a Notice of Allowance**, e.g. to amend an application in a substantive way, it will no longer be necessary to wait for the Final Fee deadline to elapse. Instead, applicants will be able to request withdrawal of the Notice of Allowance by payment of a modest fee, to permit the application to undergo further examination.¹⁵ **This may serve to remedy delays currently experienced when an applicant desires to have additional claims considered for the purposes of receiving a unity objection in order to gain immunity from double patenting for the additional claims if they are filed in a divisional application.**

¹ Patent Rule 81(1)(a), Canada Gazette Part 1, Vol. 152, No. 48.

² Proposed Patent Rule 86(1)-(6), (8), (10), and (12), and 132(1), Canada Gazette Part 1, Vol. 152, No. 48.

³ Proposed Patent Rules 3(1) and 132(2), and Item 1 of Schedule 2, Canada Gazette Part 1, Vol. 152, No. 48.

⁴ Procedures and requirements for requesting extensions are yet to be published.

⁵ Proposed Patent Rule 102, Canada Gazette Part 1, Vol. 152, No. 48.

⁶ Patent Act section 27.1(2) and (3).

⁷ Proposed Patent Rule 73(3), Canada Gazette Part 1, Vol. 152, No. 48.

⁸ Patent Act sections 35(3) and 73(1)(d).

⁹ Patent Act section 73(3) and proposed Patent Rule 136(1)(b), Canada Gazette Part 1, Vol. 152, No. 48.

¹⁰ Patent Act section 73(3) and Patent Rule 134(1).

¹¹ Patent Act section s73(1)(a) and Patent Rule 134(1)

¹² Proposed Patent Rule 136(1)(a), Canada Gazette Part 1, Vol. 152, No. 48.

¹³ Proposed Patent Rules 133(e) and 136(1)(1), Canada Gazette Part 1, Vol. 152, No. 48.

¹⁴ supra, note 12.

¹⁵ Proposed Patent Rule 86(17), Canada Gazette Part 1, Vol. 152, No. 48.

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