

IP monitor

To err is human but forgiveness is controlled by the rules

May 2017 Patents

In the *University of Alberta v Canada (Attorney General)* 2017 FC 402 (April 24, 2017), the Federal Court has confirmed once again the harsh reality of the Canadian patent prosecution world.

While there may be no excuse for missing deadlines, it does happen and this case demonstrates yet again that technical formal compliance with the *Patent Rules*, not just substantive compliance, is required.

In this case the application was filed without the typical one-sentence statement that, “The applicant is the legal representative of the inventor.” The commissioner of patents (Commissioner) requisitioned the statement pursuant to section 37 of the *Patent Rules* to be filed at the later of the three-month date after the requisition or 12 months from the filing date.

The applicant failed to respond to the requisition although it argued it did not receive any notice that the application was incomplete pursuant to Patent Rule 94 and that the Patent Office had accepted at least one maintenance fee while the application was in default. Ownership of the application was transferred and this may have been part of the reason for failure to respond.

In this decision the court, citing *Biogen Idec Ma Inc v Canada (Attorney General)* 2016 FC, concluded that matters of statutory interpretation that arise from the Commissioner’s home statute, including issues of extension of time and deemed abandonment, are reviewable on a standard of reasonableness, although both parties had argued that a correctness standard should be applied.

The court basically concluded its hands were tied. No response had been received. The application was deemed abandoned pursuant to Patent Rule 97. Following *DBC Marine Safety Systems Ltd v Canada (Commissioner of Patents)*, 2008 FCA 256 the court decided there was no decision of the Commissioner to review as the abandonment had happened “as a matter of law.” Even if there had been a decision to review the Commissioner had no discretion to decide if a response was in “good faith” when no response had been received. Indeed, the Commissioner had no inherent jurisdiction to relieve against inadvertent errors or omissions whether formal or substantive.

The court concluded that in the present case, the applicants may well believe that a total loss of rights to a patent is a “harsh consequence” but could not find in the legislation or the jurisprudence any way to avoid this consequence.

Because the court decided that the abandonment itself did not result in a reviewable decision, the applicant focused on the decision to send the requisition under section 37 in the first place. However, that decision was well outside the 30-day window for judicial review and therefore out of time.

Comment

This case emphasizes again the importance of complying with every technical requisition, procedure or rule set out in the *Patent Act* and *Rules*. However, should these harsh results not be mitigated in some way? Has not the time come for a procedure as in the US where an unintentionally abandoned application can be revived on payment of a suitably large fee (see for example 37 CFR 1.137). Why not take these issues out of the courts and allow these technicalities to be rectified by paying a penalty? The fees could be huge (perhaps thousands of dollars) and in the process collect some money for CIPO. In addition, other penalties such as shortened patent term could be considered. This is also a possible penalty in the United States.

Action to avoid invalidation of valuable patents on technicalities is long overdue.

Brian W. Gray

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