

# Change is coming with new Canadian Patent Rules/amended Patent Act

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New Canadian *Patent Rules* (*Rules*) and amendments to the Canadian *Patent Act* (the *Act*) will come into force on October 30, 2019. The new *Rules* and *Act* effect significant changes in Canadian patent practice. Some of the more notable changes impacting filing and prosecution include:

- removal of late national phase entry option (42 months from priority date) as a matter of right
- reduced direct filing requirements
- ability to secure a filing date on a day Patent Office is closed
- requirement for certified copy of priority document
- possibility for restoration of priority
- shortened deadlines for examination request, response to Official Actions, payment of final fee
- possibility to withdraw Notice of Allowance and reopen prosecution
- change in abandonment and reinstatement procedures
- provision for third-party rights during certain abandonment periods

## National phase entry of PCT application

Currently a PCT application can enter the national phase in Canada as late as 42 months from the priority date as a matter of right on payment of a late fee.

Under the new *Rules*, late entry will no longer be a matter of right on international applications having a filing date on or after October 30, 2019. Late entry will still be possible where failure to enter the national phase by the 30-month deadline was unintentional. Late entry requires a statement that failure to meet the 30-month deadline was unintentional, a request for reinstatement and payment of a reinstatement fee.

## Direct Canadian filing

Currently to obtain a filing date, an application must include a description of the invention in English or French and the payment of the filing fee.

Under the new *Rules*, the requirements to obtain a filing date are reduced. A description can be filed in any language and the filing fee and a translation into English or French can be

deferred. The Patent Office will issue a notice advising of the missing filing fee payment or missing translation, setting a two-month deadline for submission of the translation and a three-month deadline for payment of the filing fee together with a late fee.

Under the new regime it is also possible to obtain a filing date by filing a reference statement to a previously filed application in place of filing a specification. If an application is filed by reference statement, a copy of the previously filed application that is referenced must be made available within two months of the reference statement filing date.

## Filing date securement

Currently it is not possible to obtain a filing date on a day that the Canadian Patent Office is closed (holidays, weekends).

Under the new regime a filing date can be obtained on days the Patent Office is closed when an application is electronically filed.

## Convention priority claim

Under current practice a certified copy of a priority document is not required unless a copy is requested in prosecution and there are no provisions for restoration of priority.

Under the new *Rules*, a certified copy of the priority document is required. The deadline for priority document submission in a direct Canadian filing is the later of 16 months from the filing date of the priority application or four months from the filing date of the Canadian application. The deadline for priority document submission in a national phase entry from an international application is the national phase entry date (a priority document provided in the PCT international phase before national phase entry meets the submission requirement). If the certified copy of the priority document is not timely submitted, the Patent Office will issue a notice setting a two-month deadline for submission. The Patent Office can request a translation if the priority document is not in English or French.

Under the new regime, restoration of priority is available if the Canadian application is filed within 14 months of the priority date in cases where failure to file within the 12-month convention priority period was unintentional. The deadline for requesting restoration of priority is two months from the filing date in a direct Canadian filing. In a national phase entry from a PCT application, the deadline is one month from the national phase entry date.

## Examination request

Currently the deadline for filing a request for examination is five years from the Canadian filing date. On a divisional application the deadline is the later of: five years from the parent filing date or six months from the submission date of the divisional application.

Under the new *Rules*, on applications filed on or after October 30, 2019, the deadline for requesting examination is shortened to four years from the filing date or in the case of a divisional application the later of: the deadline for requesting examination of the parent application or three months from the presentation date of the divisional application.

If the examination request is not timely filed, the Patent Office will issue a notice setting a two-month period for requesting examination and payment of a late fee. Failure to request examination and pay the late fee by the set deadline will result in abandonment of the

application and reinstatement may involve a 'due care' requirement. See the following section on Abandonment/Reinstatement/Restoration.

## Maintenance fees

Under current practice, maintenance fees are due yearly on pending applications and issued patents beginning at the second anniversary of the Canadian filing date. Failure to pay the maintenance fees by the deadline on a pending application results in abandonment of the application. Failure to pay the maintenance fee by the deadline on an issued patent results in the patent being deemed to be in an 'about to lapse' state. Currently reinstatement and late payment within 12 months of deemed abandonment/'about to lapse' state is possible as a matter of right.

Under the new regime, if a maintenance fee on a pending application or issued patent is not paid by the anniversary due date, the Patent Office will issue a notice of the missed deadline to the agent of record, and request payment of the fee and a late fee by the later of two months from the date of the notice or six months from the anniversary due date.

Failure to pay the maintenance fee and late fee by the set deadline on a pending application will result in abandonment of the application. Failure to pay the maintenance fee and late fee by the set deadline on an issued patent will result in the patent being deemed expired as of the original anniversary due date (retroactively expired). Reinstatement will no longer be a matter of right and involves a 'due care' requirement. See the following section on Abandonment/Reinstatement/Restoration.

Prior to October 30, 2019, only the agent of record was authorized to pay a maintenance fee in respect of pending applications. Anyone was permitted to pay a maintenance fee for granted patent. On or after October 30, 2019, anyone can pay a maintenance fee for either pending applications or granted patents. However, the Canadian Patent Office will send a late fee notice for non-payment of a maintenance fee only to the agent of record. In addition, it is important to note that also coming into force are third-party rights, and the new due care requirement for reinstatement, both of which may result in a loss of rights. Accordingly, we do not recommend alternative fee payment arrangements.

## Official Action deadlines

Under current practice, the standard deadline for response to an Official Action is six months, except in rare cases where shortened periods may be set.

Under new practice, the deadline for responding to an Official Action issued on or after October 30, 2019, will be shortened to four months. Extensions up to two months can be obtained at the discretion of the Patent Office on payment of an extension fee and submission of reasons for requesting the extension. In cases under advanced examination, the advanced examination status will be lost if an extension is requested.

## Allowance and amendments after allowance

Under current practice, the Notice of Allowance sets a six-month deadline for payment of the final fee and any excess page fees. Excess page fees are payable on any pages in excess of 100 including electronic copies of the sequence listing.

Currently, an amendment after allowance can only be filed under limited circumstances. Any

amendments which would necessitate a further search by the Examiner are not acceptable in an amendment after allowance. Such amendments are currently made by allowing the application to become abandoned by failure to pay the final fee by the set deadline and thereafter reinstating the application with amendment. On reinstatement prosecution of the application is reopened.

Under the new regime, a Notice of Allowance issued on or after October 30, 2019, will set a four-month deadline for payment of the final fee and excess page fees will not apply to electronic copies of a sequence listing.

Under the new *Rules*, prosecution of an application can be reopened and an application amended by requesting withdrawal of the Notice of Allowance. A request for withdrawal together with payment of a prescribed fee must be submitted within four months of the Notice of Allowance date and prior to payment of the final fee.

Obvious errors in the specification can still be corrected with an amendment after allowance on or before payment of the final fee.

## Abandonment/Reinstatement/Restoration

Currently an abandoned application can be reinstated as a matter of right within 12 months of abandonment.

Under the new regime, reinstatement within 12 months of abandonment as a matter of right is no longer applicable in all cases of abandonment, and instead the applicant will need to show that the application became abandoned in spite of “due care.”

An application abandoned through failure to pay a maintenance fee, together with late fees by a prescribed deadline, can no longer be reinstated as a matter of right. Reinstatement is still possible within 12 months of abandonment but a showing of ‘due care’ is required.

In the case of an issued patent deemed expired due to non-payment of a maintenance fee and late fee, a reversal of the deemed expiry can be requested but a ‘due care’ showing is required. The deadline for requesting reversal is 12 months after the end of the six-month period after the original anniversary due date.

An application abandoned through failure to request examination and pay a late fee by a prescribed deadline can be reinstated as a matter of right if it is reinstated within six months of the original examination request deadline. Thereafter the application can still be reinstated within 12 months of abandonment but a ‘due care’ showing is required.

## Third-party rights

Currently there are no provisions for third-party rights during periods of abandonment of an application or lapse of a patent.

Under the new regime, third-party rights may apply during periods of abandonment of an application due to failure to request examination or pay a maintenance fee by prescribed deadlines and after non-payment of a maintenance fee in an issued patent by the prescribed deadline. The period during which third-party rights are applicable starts six months from the original maintenance fee or examination request due date.

The information provided herein is intended to highlight upcoming changes impacting filing

and prosecution of Canadian applications and is not an in-depth analysis of all changes coming into force October 30, 2019. If you have any questions or wish to discuss the new Canadian *Patent Rules*/amended *Patent Act*, please do not hesitate to contact the authors or any member of our Intellectual Property Group, including J. Bradley White, Maryann O'Hara, Clark Holden and Nicole Dinaut.