

Federal Court



Cour fédérale

Date: 20170424

Docket: T-306-16

Citation: 2017 FC 402

Ottawa, Ontario, April 24, 2017

PRESENT: The Honourable Mr. Justice Russell

BETWEEN:

**THE GOVERNORS OF THE UNIVERSITY
OF ALBERTA AND ALBERTA HEALTH
SERVICES**

Applicants

and

ATTORNEY GENERAL OF CANADA

Respondent

JUDGMENT AND REASONS

I. INTRODUCTION

[1] This is an application under s 18.1 of the *Federal Courts Act*, RSC 1985, c F-7 [*Federal Courts Act*] for judicial review of the following decisions of the Canadian Intellectual Property Office [CIPO] on behalf of the Commissioner of Patents [Commissioner], regarding Canadian Patent Application Serial Number 2,804,560 [Patent Application]:

- (a) The decision of February 3, 2016, refusing to correct the patent records to show the Patent Application in good standing;
- (b) The decision of February 4, 2016, refusing to apply the maintenance fee payment dated January 22, 2016 for the Patent Application; and
- (c) The decision of May 17, 2016, refusing to advance the examination of the Patent Application.

II. BACKGROUND

[2] On February 1, 2013, agents filed an application for a Canadian patent [‘560 Application] on behalf of TEC Edmonton and Alberta Health Services. In the ‘560 Application, the inventors were identified as Ashwin Iyer, Justin Pollock, and Nicola de Zanche [Inventors]. The ‘560 Application did not contain a statement that the Patent Applicants were the legal representatives of the Inventors.

[3] On February 15, 2013, CIPO issued two notices to the agents. The first notice requisitioned the ‘560 Applicants to comply with s 37 of the *Patent Rules*, SOR/96-423 [Patent Rules] before the later of the expiry of the 3-month period after the date of the notice and the expiry of the 12-month period after the filing date of the ‘560 Application [Requisition]. The second notice advised the Patent Applicants that CIPO would use the title of the invention as it appeared in the description rather than the title specified in the Petition for Grant of a Patent.

[4] On March 31, 2014, CIPO issued a Notice of Abandonment for the ‘560 Application to the agents. The notice stated that the ‘560 Application was deemed to be abandoned pursuant to ss 97 or 151 of the *Patent Rules* for failure to reply in good faith to a requisition by the Commissioner. The notice also stated the ‘560 Application could be reinstated pursuant to

s 73(3) of the *Patent Act*, RSC 1985, c P-4 [*Patent Act*] within 12-months of the date of abandonment.

[5] On June 10, 2014, TEC Edmonton assigned its rights to the '560 Application to the Governors of the University of Alberta. On the same day, the Patent Applicants revoked their previous patent agents' appointment and appointed Anthony R. Lambert in their place. CIPO processed the change of agent in the record on June 26, 2014.

[6] On January 13, 2015, the Patent Applicants used the Patent Maintenance Fee Electronic Payment service to pay the Year 2 maintenance fee.

[7] On January 22, 2015, the Patent Applicants used the general correspondence on the CIPO website to pay the Year 3 maintenance fee.

[8] On February 1, 2016, the Patent Applicants filed a petition for a correction of the patent records to show the '560 Application was in good standing. CIPO replied on February 3, 2016 that it would not revise the patent records because the Patent Applicants had not complied with the Requisition within the 12-month period following the Notice of Abandonment and, as a result, the '560 Application was beyond the period of reinstatement.

[9] On February 4, 2016, CIPO notified the Applicants that it would not process the payment of January 22, 2016 because the '560 Application was beyond the period of reinstatement.

[10] On March 24, 2016, the Patent Applicants requested the Commissioner to advance an examination of the '560 Application. CIPO replied on May 16, 2016 that no action could be taken on the file because the '560 Application was beyond the period of reinstatement.

III. DECISIONS UNDER REVIEW

1. February 3, 2016 Decision

[11] In a decision dated February 3, 2016, CIPO notified the Patent Applicants that it would not revise the patent records to demonstrate the '560 Application was in good standing because the Patent Applicants had not filed a statement in compliance with s 37 of the *Patent Rules* within one year of the filing date and, consequently, the '560 Application was beyond the period of reinstatement.

2. February 4, 2016 Decision

[12] In a decision dated February 4, 2016, CIPO notified the Patent Applicants that it would not apply the maintenance fee payment dated January 22, 2016 to the '560 Application because the '560 Application was beyond the period of reinstatement.

3. May 17, 2016 Decision

[13] In a decision dated May 17, 2016, CIPO notified the Patent Applicants that it would not advance an examination of the '560 Application because the '560 Application was beyond the period of reinstatement.

IV. ISSUES

[14] The Applicants submit that the following are at issue in this application:

- (1) Whether the standard of correctness is the correct standard of review for the issues raised in this application?
- (2) Whether the '560 Application was in compliance with the substantial requirements of the *Patent Act*?
- (3) Whether the correct construction of s 73 of the *Patent Act* is that s 73(1) provides for abandonment for non-compliance with the substantive requirements of the *Patent Act* and s 73(2) provides for abandonment for non-compliance with the formalities requirements of the *Patent Rules*?
- (4) In relation to the decision of February 3, 2016:
 - a. Whether the Commissioner has the discretion to construe a patent application that complies with substantial requirements as being in compliance with formalities?
 - b. Whether the Commissioner construed the Petition for Grant of a Patent as complying with the formalities requirement that there was a statement that the Applicants' "requests the grant of a patent for an invention, entitled METAMATERIAL LINER FOR WAVEGUIDE, which is described and claimed in the accompanying specification"?
 - c. Whether the Commissioner had the authority to issue the s 37 Requisition?
 - d. Whether the notice requirement of s 27(6) of the *Patent Act* can be made within a requisition pursuant to s 47 of the *Patent Rules* and if so, whether that notice was provided in the s 37 Requisition?
 - e. Whether the applicable time prescribed by s 94 of the *Patent Rules* occurred on May 3, 2013?
 - f. Whether s 94 of the *Patent Rules* obligates the Commissioner to notify the Applicants after the applicable time prescribed that the patent application does not comply with the applicable requirements?
 - g. Whether not providing any notice pursuant to s 94 of the *Patent Rules* was a decision of the Commissioner that the Application was in compliance with the requirements of s 94(2)(b) of the *Patent Rules*?

(5) In relation to the decision of May 17, 2016:

- a. Whether a patent application abandoned pursuant to s 73(2) of the *Patent Act* is eligible for advanced examination under s 25(1) of the *Patent Act*, pursuant to s 28 of the *Patent Rules*?
- b. Whether the Commissioner failed to exercise his or her discretion to advance the examination of the Application?

(6) In relation to the decision of February 4, 2016:

- a. Whether the Commissioner was obligated to apply the maintenance fees proffered by the Patent Applicants?

[15] The Respondent submits that the following are at issue in this application:

- (1) What is the appropriate standard of review?
- (2) Did the applicable provisions of the *Patent Act* and the *Patent Rules* operate to the effect that the '560 Application was properly deemed abandoned and not reinstated?
- (3) In the event that the '560 Application was properly deemed abandoned and not reinstated, did the Commissioner err in:
 - a. Not correcting the patent records to show the '560 Application in good standing?
 - b. Not applying the maintenance fee payment of January 22, 2016 for the '560 Application?
 - c. Not advancing the examination of the '560 Application?

V. STANDARD OF REVIEW

[16] The Supreme Court of Canada in *Dunsmuir v New Brunswick*, 2008 SCC 9 [*Dunsmuir*] held that a standard of review analysis need not be conducted in every instance. Instead, where the standard of review applicable to a particular question before the court is settled in a satisfactory manner by past jurisprudence, the reviewing court may adopt that standard of review. Only where this search proves fruitless, or where the relevant precedents appear to be

inconsistent with new developments in the common law principles of judicial review, must the reviewing court undertake a consideration of the four factors comprising the standard of review analysis: *Agraira v Canada (Public Safety and Emergency Preparedness)*, 2013 SCC 36 at para 48.

[17] Both parties agree that the issues raised, which involve the legal interpretation of the *Patent Act* and the *Patent Rules* should be reviewed under a standard of correctness as applied by the Commissioner. However, this Court has recently held 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: *Biogen Idec Ma Inc v Canada (Attorney General)*, 2016 FC 517 [*Biogen*] at para 42. Likewise, the Commissioner's application of the interpretation to the facts, as a question of mixed fact and law, also attracts a standard of reasonableness: *Biogen* at para 44.

[18] When reviewing a decision on the standard of reasonableness, the analysis will be concerned with "the existence of justification, transparency and intelligibility within the decision-making process [and also with] whether the decision falls within a range of possible, acceptable outcomes which are defensible in respect of the facts and law." See *Dunsmuir*, above, at para 47, and *Canada (Citizenship and Immigration) v Khosa*, 2009 SCC 12 at para 59. Put another way, the Court should intervene only if the Decisions were unreasonable in the sense that they fall outside the "range of possible, acceptable outcomes which are defensible in respect of the facts and law."

VI. STATUTORY PROVISIONS

[19] The following provisions from the *Patent Act* are relevant in this proceeding:

Rules and Regulations

12 (1) The Governor in Council may make rules or regulations

(a) respecting the form and contents of applications for patents;

(b) respecting the form of the Register of Patents and of the indexes thereto;

(c) respecting the registration of assignments, transmissions, disclaimers, judgments or other documents relating to any patent;

(d) respecting the form and contents of any certificate issued pursuant to this Act;

(e) prescribing the fees or the manner of determining the fees that may be charged in respect of the filing of applications for patents or the taking of other proceedings under this Act or under any rule or regulation made pursuant to this Act, or in respect of any services or the use of any facilities provided thereunder by the Commissioner or any person employed in the Patent Office;

(f) prescribing the fees or the

Règles et règlements

12 (1) Le gouverneur en conseil peut, par règle ou règlement :

a) prévoir la forme et le contenu des demandes de brevet;

b) prévoir la forme du registre des brevets et de ses index;

c) prévoir l'enregistrement de tous documents — cessions, transmissions, renoncations, jugements ou autres — relatifs à un brevet;

d) prévoir la forme et le contenu des certificats délivrés sous le régime de la présente loi;

e) prescrire les taxes qui peuvent être levées pour le dépôt des demandes de brevet ou les autres formalités d'application de la présente loi ou de ses règles ou règlements ou pour des services ou l'utilisation d'installations qui y sont prévus par le commissaire ou par tout fonctionnaire du Bureau des brevets ou prescrire les modalités de la détermination de ces taxes;

f) prescrire les taxes à payer

manner of determining the fees that shall be paid to maintain in effect an application for a patent or to maintain the rights accorded by a patent;

(g) respecting the payment of any prescribed fees including the time when and the manner in which such fees shall be paid, the additional fees that may be charged for the late payment of such fees and the circumstances in which any fees previously paid may be refunded in whole or in part;

(h) for carrying into effect the terms of any treaty, convention, arrangement or engagement that subsists between Canada and any other country;

(i) for carrying into effect, notwithstanding anything in this Act, the Patent Cooperation Treaty done at Washington on June 19, 1970, including any amendments, modifications and revisions made from time to time to which Canada is a party;

(j) respecting the entry on, the maintenance of and the removal from the register of patent agents of the names of persons and firms, including the qualifications that must be met and the conditions that must be fulfilled by a person or firm before the name of the person or firm is entered

pour le maintien en état des demandes de brevet ainsi que des droits conférés par les brevets ou les modalités de leur détermination;

g) prévoir le paiement des taxes réglementaires, y compris le moment et la manière selon laquelle ces taxes doivent être payées, les surtaxes qui peuvent être levées pour les paiements en souffrance, ainsi que les circonstances dans lesquelles les taxes peuvent être remboursées en tout ou en partie;

h) rendre effectives les stipulations de tout traité, convention, accord ou entente qui subsiste entre le Canada et tout autre pays;

i) par dérogation aux autres dispositions de la présente loi, mettre en oeuvre le Traité de coopération en matière de brevets, conclu à Washington le 19 juin 1970, ainsi que les modifications et révisions éventuellement apportées à celui-ci et auxquelles le Canada est partie;

j) prévoir l'inscription, le maintien et la suppression des noms de personne et d'entreprise dans le registre des agents de brevets, et notamment les conditions que doit remplir toute personne ou entreprise pour que son nom soit ainsi inscrit et maintenu;

thereon and to maintain the name of the person or firm on the register;

(j.1) respecting the submission of documents, information or fees under section 8.1, including

(i) the documents, information or fees that may be submitted in electronic or other form under that section,

(ii) the persons or classes of persons by whom they may be submitted, and

(iii) the time at which they are deemed to be received by the Commissioner;

(j.2) respecting the entering or recording of any document or information under section 8.2;

(j.3) prescribing the manner in which an application for a patent may be withdrawn and, for the purposes of subsections 10(4) and (5), prescribing the date, or the manner of determining the date, on or before which a request for priority or an application for a patent must be withdrawn;

(j.4) respecting requests for priority, including

(i) the period within which priority must be requested,

(ii) the manner in which and period within which the Commissioner must be informed of the matters referred to in subsection

j.1) régir la transmission des documents, renseignements et taxes visés à l'article 8.1, notamment en déterminant ceux qui peuvent être remis au titre du paragraphe 8.1(1), les personnes ou catégories de personnes habilitées à cet effet et les règles d'application du paragraphe 8.1(2);

j.2) régir la mise en mémoire des renseignements et documents visés à l'article 8.2;

j.3) déterminer les modalités de retrait des demandes de brevet et, pour l'application des paragraphes 10(4) et (5), préciser les dates, ou leur mode de détermination, de retrait des demandes de priorité et des demandes de brevet;

j.4) régir les demandes de priorité, notamment en ce qui a trait à leur délai de présentation, aux renseignements et documents à fournir à l'appui de celles-ci, au délai de transmission au commissaire de ces renseignements et documents ainsi qu'au retrait de ces

- 28.4(2), demandes;
- (iii) the documentation that must be filed in support of requests for priority, and
- (iv) the withdrawal of requests for priority;
- (j.5) respecting the time within which requests for examination must be made and prescribed fees must be paid under subsection 35(1); j.5) déterminer le délai de présentation des requêtes d'examen et fixer les taxes à payer aux termes du paragraphe 35(1);
- (j.6) respecting the deposit of biological material for the purposes of section 38.1; j.6) régir le dépôt de matières biologiques visé à l'article 38.1;
- (j.7) respecting the manner in which amendments may be made to specifications or drawings furnished as part of an application for a patent; j.7) déterminer les modalités de modification des mémoires descriptifs et des dessins faisant partie de la demande de brevet;
- (j.8) authorizing the Commissioner to extend, subject to any prescribed terms and conditions, the time fixed by or under this Act for doing anything where the Commissioner is satisfied that the circumstances justify the extension; j.8) autoriser le commissaire, si celui-ci estime que les circonstances le justifient, à proroger, aux conditions réglementaires, tout délai fixé par la présente loi ou en vertu de celle-ci pour l'accomplissement d'un acte;
- (k) prescribing any other matter that by any provision of this Act is to be prescribed; and k) prendre toute autre mesure d'ordre réglementaire prévue par la présente loi;
- (l) generally, for carrying into effect the objects and purposes of this Act or for ensuring the due administration thereof by the Commissioner and other officers and employees of the Patent Office. l) prendre toute autre mesure d'application de la présente loi ou pour en assurer la mise en oeuvre par le commissaire et le personnel du Bureau des brevets.

Effect

(2) Any rule or regulation made by the Governor in Council has the same force and effect as if it had been enacted herein.

...

Commissioner may grant patents

27 (1) The Commissioner shall grant a patent for an invention to the inventor or the inventor's legal representative if an application for the patent in Canada is filed in accordance with this Act and all other requirements for the issuance of a patent under this Act are met.

Application requirements

(2) The prescribed application fee must be paid and the application must be filed in accordance with the regulations by the inventor or the inventor's legal representative and the application must contain a petition and a specification of the invention.

Specification

(3) The specification of an invention must

(a) correctly and fully describe the invention and its operation or use as contemplated by the inventor;

Effet

(2) Toute règle ou tout règlement pris par le gouverneur en conseil a la même force et le même effet que s'il avait été édicté aux présentes.

...

Délivrance de brevet

27 (1) Le commissaire accorde un brevet d'invention à l'inventeur ou à son représentant légal si la demande de brevet est déposée conformément à la présente loi et si les autres conditions de celle-ci sont remplies.

Dépôt de la demande

(2) L'inventeur ou son représentant légal doit déposer, en la forme réglementaire, une demande accompagnée d'une pétition et du mémoire descriptif de l'invention et payer les taxes réglementaires

Mémoire descriptif

(3) Le mémoire descriptif doit:

a) décrire d'une façon exacte et complète l'invention et son application ou exploitation, telles que les a conçues son

(b) set out clearly the various steps in a process, or the method of constructing, making, compounding or using a machine, manufacture or composition of matter, in such full, clear, concise and exact terms as to enable any person skilled in the art or science to which it pertains, or with which it is most closely connected, to make, construct, compound or use it;

(c) in the case of a machine, explain the principle of the machine and the best mode in which the inventor has contemplated the application of that principle; and

(d) in the case of a process, explain the necessary sequence, if any, of the various steps, so as to distinguish the invention from other inventions.

Claims

(4) The specification must end with a claim or claims defining distinctly and in explicit terms the subject-matter of the invention for which an exclusive privilege or property is claimed.

inventeur;

b) exposer clairement les diverses phases d'un procédé, ou le mode de construction, de confection, de composition ou d'utilisation d'une machine, d'un objet manufacturé ou d'un composé de matières, dans des termes complets, clairs, concis et exacts qui permettent à toute personne versée dans l'art ou la science dont relève l'invention, ou dans l'art ou la science qui s'en rapproche le plus, de confectionner, construire, composer ou utiliser l'invention;

c) s'il s'agit d'une machine, en expliquer clairement le principe et la meilleure manière dont son inventeur en a conçu l'application;

d) s'il s'agit d'un procédé, expliquer la suite nécessaire, le cas échéant, des diverses phases du procédé, de façon à distinguer l'invention en cause d'autres inventions.

Revendications

(4) Le mémoire descriptif se termine par une ou plusieurs revendications définissant distinctement et en des termes explicites l'objet de l'invention dont le demandeur revendique la propriété ou le privilège exclusif.

Alternative definition of subject-matter

(5) For greater certainty, where a claim defines the subject-matter of an invention in the alternative, each alternative is a separate claim for the purposes of sections 2, 28.1 to 28.3 and 78.3.

When application to be completed

(6) Where an application does not completely meet the requirements of subsection (2) on its filing date, the Commissioner shall, by notice to the applicant, require the application to be completed on or before the date specified in the notice.

Specified period

(7) The specified date must be at least three months after the date of the notice and at least twelve months after the filing date of the application.

What may not be patented

(8) No patent shall be granted for any mere scientific principle or abstract theorem.

...

Request for examination

35 (1) The Commissioner shall, on the request of any person made in such manner as

Variantes

(5) Il est entendu que, pour l'application des articles 2, 28.1 à 28.3 et 78.3, si une revendication définit, par variantes, l'objet de l'invention, chacune d'elles constitue une revendication distincte.

Demande incomplète

(6) Si, à la date de dépôt, la demande ne remplit pas les conditions prévues au paragraphe (2), le commissaire doit, par avis, requérir le demandeur de la compléter au plus tard à la date qui y est mentionnée.

Délai

(7) Ce délai est d'au moins trois mois à compter de l'avis et d'au moins douze mois à compter de la date de dépôt de la demande.

Ce qui n'est pas brevetable

(8) Il ne peut être octroyé de brevet pour de simples principes scientifiques ou conceptions théoriques.

...

Requête d'examen

35 (1) Sur requête à lui faite en la forme réglementaire et sur paiement de la taxe

may be prescribed and on payment of a prescribed fee, cause an application for a patent to be examined by competent examiners to be employed in the Patent Office for that purpose.

Required examination

(2) The Commissioner may by notice require an applicant for a patent to make a request for examination pursuant to subsection (1) or to pay the prescribed fee within the time specified in the notice, but the specified time may not exceed the time provided by the regulations for making the request and paying the fee.

(3) and (4) [Repealed, 1993, c. 15, s. 38]

...

Deemed abandonment of applications

73 (1) An application for a patent in Canada shall be deemed to be abandoned if the applicant does not

(a) reply in good faith to any requisition made by an examiner in connection with an examination, within six months after the requisition is made or within any shorter period established by the Commissioner;

(b) comply with a notice given pursuant to subsection 27(6);

réglementaire, le commissaire fait examiner la demande de brevet par tel examinateur compétent recruté par le Bureau des brevets.

Examen requis

(2) Le commissaire peut, par avis, exiger que le demandeur d'un brevet fasse la requête d'examen visée au paragraphe (1) ou paie la taxe réglementaire dans le délai mentionné dans l'avis, qui ne peut être plus long que celui déterminé pour le paiement de la taxe.

(3) et (4) [Abrogés, 1993, ch. 15, art. 38]

...

Abandon

73 (1) La demande de brevet est considérée comme abandonnée si le demandeur omet, selon le cas :

a) de répondre de bonne foi, dans le cadre d'un examen, à toute demande de l'examineur, dans les six mois suivant cette demande ou dans le délai plus court déterminé par le commissaire;

b) de se conformer à l'avis mentionné au paragraphe 27(6);

(c) pay the fees payable under section 27.1, within the time provided by the regulations;

c) de payer, dans le délai réglementaire, les taxes visées à l'article 27.1;

(d) make a request for examination or pay the prescribed fee under subsection 35(1) within the time provided by the regulations;

d) de présenter la requête visée au paragraphe 35(1) ou de payer la taxe réglementaire dans le délai réglementaire;

(e) comply with a notice given under subsection 35(2); or

e) de se conformer à l'avis mentionné au paragraphe 35(2);

(f) pay the prescribed fees stated to be payable in a notice of allowance of patent within six months after the date of the notice.

f) de payer les taxes réglementaires mentionnées dans l'avis d'acceptation de la demande de brevet dans les six mois suivant celui-ci.

Deemed abandonment in prescribed circumstances

Idem

(2) An application shall also be deemed to be abandoned in any other circumstances that are prescribed.

(2) Elle est aussi considérée comme abandonnée dans les circonstances réglementaires.

Reinstatement

Rétablissement

(3) An application deemed to be abandoned under this section shall be reinstated if the applicant

(3) Elle est rétablie si le demandeur :

(a) makes a request for reinstatement to the Commissioner within the prescribed period;

a) présente au commissaire, dans le délai réglementaire, une requête à cet effet;

(b) takes the action that should have been taken in order to avoid the abandonment; and

b) prend les mesures qui s'imposaient pour éviter l'abandon;

(c) pays the prescribed fee before the expiration of the

c) paie les taxes réglementaires avant l'expiration de la période

prescribed period.

Amendment and re-examination

(4) An application that has been abandoned pursuant to paragraph (1)(f) and reinstated is subject to amendment and further examination.

Original filing date

(5) An application that is reinstated retains its original filing date.

réglementaire.

Modification et réexamen

(4) La demande abandonnée au titre de l'alinéa (1)f) et rétablie par la suite est sujette à modification et à nouvel examen.

Date de dépôt originelle

(5) La demande rétablie conserve sa date de dépôt.

[20] The following provisions from the *Patent Rules* are relevant in this proceeding:

Fees

4 (1) The Commissioner shall, on request, refund fees in accordance with subsections (2) to (16).

(2) If an application does not meet the requirements of section 28 of the Act entitling it to a filing date, the fee paid shall be refunded, less \$25.

(3) Where an application is submitted to the Commissioner by mistake and the Commissioner is notified before the application has been assigned a number that the application is to be withdrawn, the fee paid on the withdrawn application shall be refunded, less \$25.

Taxes

4 (1) Le commissaire effectue, sur demande, le remboursement des taxes versées, selon les modalités prévues aux paragraphes (2) à (16).

(2) Si une demande ne satisfait pas aux exigences de l'article 28 de la Loi pour l'attribution d'une date de dépôt, un montant égal à la taxe versée moins 25 \$ est remboursé.

(3) Si une demande est soumise au commissaire par erreur et que celui-ci est avisé, avant l'attribution d'un numéro, que la demande sera retirée, un montant égal à la taxe versée pour la demande moins 25 \$ est remboursé.

(4) Where, through inadvertence, more than one application is filed for the same invention, by or on behalf of the same person, and where any one of such applications is withdrawn before examination, any fee paid on the withdrawn application shall be refunded, less one-half of the filing fee.

(5) Where the Commissioner sends a notice to the applicant pursuant to subsection 94(1) and the applicant does not comply with the requisition set out in that notice, any fee paid pursuant to that subsection shall be refunded, less \$25.

(6) If a person pays a standard fee set out in an item of Schedule II, no refund shall be made solely for the reason that the appropriate fee is in fact the small entity fee set out in that item.

(7) Where a fee to register any document relating to a patent or an application is received and the document is not submitted, the fee paid shall be refunded.

(8) Where a request for the reinstatement of an abandoned application is received and the applicant does not comply with the requirements for reinstatement, any fee paid for reinstatement shall be refunded, less one-half of the reinstatement fee.

(4) Si, par inadvertance, la même personne ou son représentant dépose plus d'une demande à l'égard d'une même invention et que l'une de ces demandes est retirée avant l'examen, la taxe versée à l'égard de la demande retirée est remboursée, moins la moitié de la taxe de dépôt.

(5) Si le commissaire envoie un avis au demandeur en satisfait pas aux exigences énoncées dans cet avis, un montant égal à la taxe versée conformément à ce paragraphe moins 25 \$ est remboursé.

(6) Si une personne verse la taxe générale prévue à un article de l'annexe II, aucun remboursement n'est effectué au seul motif que la taxe appropriée était, en fait, la taxe applicable aux petites entités également prévue à cet article.

(7) La taxe d'enregistrement de tout document relatif à un brevet ou à une demande est remboursée si elle est versée et que le document n'est pas déposé par la suite.

(8) Si une demande de rétablissement de demande abandonnée est reçue et que le demandeur ne remplit pas les conditions relatives au rétablissement, la taxe versée est remboursée, moins la moitié de la taxe de rétablissement.

(9) Where a request for the reinstatement of an abandoned application is refused, any fee paid for reinstatement shall be refunded.

(9) En cas de refus d'une demande de rétablissement de demande abandonnée, la taxe versée pour le rétablissement est remboursée.

(10) A final fee referred to in subsection 30(1), (5), (6.2) or (6.3) shall be refunded if

(10) La taxe finale visée aux paragraphes 30(1), (5), (6.2) ou (6.3) est remboursée dans l'un ou l'autre des cas suivants:

(a) it is received during the prosecution of an application and the application is subsequently refused or abandoned;

a) elle est reçue pendant la poursuite d'une demande et cette demande est par la suite rejetée ou abandonnée;

(b) a request for its return is received before the start of technical preparations for issue; or

b) une demande de renvoi est reçue avant le début des préparatifs techniques de la délivrance;

(c) it is submitted by a person who is not the authorized correspondent.

c) elle est versée par une personne qui n'est pas le correspondant autorisé.

(11) The fee paid under subparagraph 12(b)(ii) shall be reimbursed if, within 30 days after receipt of notification from the Commissioner that a candidate has passed an equivalent paper of a previously administered examination, the candidate notifies the Commissioner in writing that they no longer intend to sit for the paper.

(11) La taxe versée en application du sous-alinéa 12b)(ii) est remboursée si, dans les trente jours suivant la réception d'un avis du commissaire informant un candidat qu'il a déjà réussi la même épreuve dans le cadre d'un examen de compétence antérieur, le candidat à l'examen l'avise par écrit qu'il n'a plus l'intention de se présenter à cette épreuve.

(12) When the fee received with a request for a copy of a document is insufficient and the request is cancelled, the fee paid shall be refunded.

(12) Lorsque la taxe reçue avec la demande d'une copie de document est insuffisante et que celle-ci est annulée, cette taxe est remboursée.

(13) When an application

(13) Lorsqu'une requête visée

referred to in section 68 of the Act and presented under subsection 65(1) of the Act is not advertised in the Canadian Patent Office Record, any fee paid for advertising the application shall be refunded.

à l'article 68 de la Loi et présentée en vertu du paragraphe 65(1) de la Loi n'est pas annoncée dans la Gazette du Bureau des brevets, la taxe versée pour l'annonce de la demande est remboursée.

(14) Subject to subsections (2) to (13) and (15), any fee paid by mistake for copies of a document that the Patent Office does not have or paid in excess of the fee prescribed shall be refunded.

(14) Sous réserve des paragraphes (2) à (13) et (15), toute taxe versée par erreur pour des copies d'un document que le Bureau des brevets ne détient pas ou versée en excédent de la taxe prévue est remboursée.

(15) No refund shall be made if the amount of the refund amounts to less than \$1 or if the refund results from the exchange on foreign currency.

(15) Aucun remboursement n'est effectué s'il résulte du change sur la monnaie étrangère ou si la taxe à rembourser est inférieure à 1 \$.

(16) No refund shall be made unless the request is made before the expiry of three years after the day on which the payment was made.

(16) Le remboursement d'un versement de taxes est prescrit si aucune demande à cet effet n'a été faite dans un délai de trois ans.

...

...

Examination

Examen

28 (1) In respect of an application that has a filing date on or after October 1, 1989 and that is open to public inspection under section 10 of the Act, the Commissioner shall advance out of its routine order the examination of the application under subsection 35(1) of the Act on the request of

28 (1) À la demande de l'une ou l'autre des personnes ci-après, le commissaire devance la date normale d'examen de la demande de brevet visée au paragraphe 35(1) de la Loi dont la date de dépôt est le 1er octobre 1989 ou une date postérieure et qui est accessible au public pour consultation conformément à l'article 10 de la Loi :

(a) any person, on payment of

a) la personne qui verse la taxe

the fee set out in item 4 of Schedule II, if failure to advance the application is likely to prejudice that person's rights; or

(b) the applicant, if the applicant files with the Commissioner a declaration indicating that the application relates to technology the commercialization of which would help to resolve or mitigate environmental impacts or to conserve the natural environment and resources.

(2) With respect to a request made under subsection (1) by an applicant, the Commissioner shall not advance the examination of the application out of its routine order and shall return to its routine order any examination that has been advanced if, after April 30, 2011,

(a) the Commissioner extends, under subsection 26(1), the time fixed by these Rules or by the Commissioner under the Act for doing anything in respect of the application; or

(b) the application is deemed to be abandoned under subsection 73(1) of the Act whether or not it is reinstated under subsection 73(3) of the Act.

...

prévue à l'article 4 de l'annexe II, si le fait de ne pas devancer la date d'examen est susceptible de porter préjudice aux droits de cette personne;

b) le demandeur qui dépose auprès du commissaire une déclaration précisant que sa demande de brevet se rapporte à une technologie dont la commercialisation aiderait à remédier à des problèmes environnementaux ou à atténuer les conséquences, ou à préserver l'environnement et les ressources naturelles.

(2) Dans le cas d'une demande présentée au titre du paragraphe (1) par le demandeur du brevet, le commissaire ne devance pas la date normale d'examen de la demande de brevet et en rétablit la date normale d'examen si, après le 30 avril 2011 :

a) il proroge, en application du paragraphe 26(1), le délai prévu aux présentes règles ou celui qu'il a fixé en vertu de la Loi pour l'accomplissement de tout acte à l'égard de la demande de brevet;

b) la demande de brevet est considérée comme abandonnée au titre du paragraphe 73(1) de la Loi, qu'elle ait été ou non rétablie au titre du paragraphe 73(3) de celle-ci.

...

Inventors and Entitlement

37 (1) If the applicant is the inventor, the application must contain a statement to that effect.

(2) If the applicant is not the inventor, the application must contain a statement indicating the name and address of the inventor and,

(a) in respect of an application other than a PCT national phase application, a declaration that the applicant is the legal representative of the inventor; and

(b) in respect of a PCT national phase application, either

(i) a declaration that the applicant is the legal representative of the inventor, or

(ii) a declaration as to the applicant's entitlement, as at the filing date, to apply for and be granted a patent, in accordance with Rule 4.17 of the Regulations under the PCT.

(3) A statement or declaration required by subsection (1) or (2) shall be included in the petition or be submitted in a separate document.

(4) If an application does not comply with the requirements

Inventeurs et droit du demandeur

37 (1) Lorsque le demandeur est l'inventeur, la demande doit contenir un énoncé à cet effet.

(2) Lorsque le demandeur n'est pas l'inventeur, la demande doit contenir un énoncé indiquant le nom et l'adresse de l'inventeur et la déclaration suivante :

a) à l'égard d'une demande autre qu'une demande PCT à la phase nationale, une déclaration portant que le demandeur est le représentant légal de l'inventeur;

b) à l'égard d'une demande PCT à la phase nationale :

(i) soit une déclaration portant que le demandeur est le représentant légal de l'inventeur,

(ii) soit une déclaration relative au droit du demandeur, à la date de dépôt, de demander et d'obtenir un brevet, conformément à la règle 4.17 du Règlement d'exécution du PCT.

(3) L'énoncé et, le cas échéant, la déclaration, sont inclus dans la pétition ou présentés dans un document distinct.

(4) Lorsqu'une demande n'est pas conforme aux exigences

of subsections (1) to (3), the Commissioner shall, by notice to the applicant, requisition the applicant to comply with those requirements before the later of the expiry of the 3-month period after the date of the notice and the expiry of the 12-month period after the filing date of the application.

...

Petitions

77 The petition shall follow the form and the instructions for its completion set out in Form 3 of Schedule I to the extent that the provisions of the form and the instructions are applicable.

...

Completing the Application

94 (1) If on the expiry of the applicable time prescribed under subsection (2) or (3) an application does not comply with the applicable requirements set out in subsection (2) or (3), the Commissioner shall, by notice to the applicant, requisition the applicant to comply with those requirements, and to pay the fee set out in item 2 of Schedule II, before the expiry of the later of the 3-month period after the date of the notice and the 12-month period after the filing date of the application.

(2) In respect of an application

énoncées aux paragraphes (1) à (3), le commissaire exige par avis que le demandeur se conforme à ces exigences dans les trois mois suivant la date de l'avis ou dans les douze mois suivant la date du dépôt de la demande, selon celui de ces délais qui expire le dernier.

...

Pétition

77 La pétition est établie selon la formule 3 de l'annexe I et les instructions connexes, dans la mesure où les dispositions de cette formule et ces instructions s'y appliquent.

...

Demande incomplète

94 (1) Lorsque, à l'expiration du délai prévu aux paragraphes (2) ou (3), une demande n'est pas conforme aux exigences qui y sont énoncées, le commissaire, par avis, exige que le demandeur se conforme à ces exigences et qu'il verse la taxe prévue à l'article 2 de l'annexe II dans les trois mois suivant la date de l'avis ou dans les douze mois suivant la date du dépôt de la demande, le délai qui expire le dernier étant à retenir.

(2) Pour l'application du

other than a PCT national phase application, for the purposes of subsection (1),

paragraphe (1), les règles ciaprès s'appliquent à l'égard d'une demande autre qu'une demande PCT à la phase nationale :

(a) the time is the 15-month period after the filing date of the application or, if a request for priority has been made in respect of the application, the 15-month period after the earliest filing date of any previously regularly filed application on which the request for priority is based; and

a) le délai est la période de quinze mois qui suit la date de dépôt de la demande ou, lorsqu'une demande de priorité a été présentée à l'égard de la demande, la période de quinze mois qui suit la date de dépôt de la première des demandes de brevet antérieurement déposées de façon régulière sur lesquelles la demande de priorité est fondée;

(b) the requirements are that

b) les exigences à satisfaire sont les suivantes :

(i) the abstract, the description, the claims and the drawings comply with sections 68 to 70, and

(i) l'abrégé, la description, les revendications et les dessins sont conformes aux articles 68 à 70,

(ii) the application contain the information and documents listed below:

(ii) la demande contient les renseignements et documents suivants :

(A) a petition complying with section 77,

(A) une pétition conforme à l'article 77,

...

...

(C) an abstract,

(C) un abrégé,

(D) a sequence listing complying with subsection 111(1) if a sequence listing is required by that subsection,

(D) le listage des séquences conforme au paragraphe 111(1), s'il est exigé par ce paragraphe,

(E) a claim or claims,

(E) une ou plusieurs revendications,

(F) any drawing referred to in

(F) tout dessin auquel renvoie

the description,

(G) an appointment of a patent agent if required by section 20,

(H) an appointment of an associate patent agent if required by section 21, and

(I) an appointment of a representative if required by section 29 of the Act.

...

Abandonment and Reinstatement

97 For the purposes of subsection 73(2) of the Act, an application is deemed to be abandoned if the applicant does not reply in good faith to any requisition of the Commissioner referred to in section 23, 25, 37 or 94 within the time provided in that section.

...

Abandonment and Reinstatement

151 For the purposes of subsection 73(2) of the Act, an application is deemed to be abandoned if the applicant does not reply in good faith to any requisition of the Commissioner referred to in section 23 or 25 within the time provided in that section.

la description,

(G) la nomination d'un agent de brevets, si elle est exigée par l'article 20,

(H) la nomination d'un coagent de brevets, si elle est exigée par l'article 21,

(I) la désignation d'un représentant, si elle est exigée par l'article 29 de la Loi.

...

Abandon et rétablissement

97 Pour l'application du paragraphe 73(2) de la Loi, la demande est considérée comme abandonnée si le demandeur omet de répondre de bonne foi à toute exigence du commissaire visée aux articles 23, 25, 37 ou 94 dans les délais qui sont prévus à ces articles.

...

Abandon et rétablissement

151 Pour l'application du paragraphe 73(2) de la Loi, la demande est considérée comme abandonnée si le demandeur omet de répondre de bonne foi à toute demande du commissaire visée aux articles 23 ou 25 dans le délai prévu à ces articles.

VII. ARGUMENTS

A. *Applicants*

(1) Standard of Review

[21] The Applicants submit that the Commissioner erred in the legal interpretation of the *Patent Act* and the *Patent Rules*; consequently, the standard of review for the three decisions should be correctness: see *Dutch Industries*, above, at paras 17-24.

(2) Compliance with s 27 of the *Patent Act* and s 37 of the *Patent Rules*

[22] The Applicants argue that the Commissioner construed the *Patent Act* and *Patent Rules* in a manner that precluded the Commissioner's authority to make the Requisition in at least three separate instances.

[23] The first instance is the letters of February 15, 2013. The first letter requested the Patent Applicants to comply with s 37 of the *Patent Rules*, which requires the application to contain a statement that identifies the inventor's name and address as well as a declaration that the applicant is the legal representative of the inventor if the applicant is not the inventor. The '560 Application included statements that identified the Inventors and the Patent Applicants. The Applicants argue that while the letter requisitions compliance, it does not state the '560 Application is not in compliance nor provide any indication of how the '560 Application is not in compliance.

[24] The second letter dated February 15, 2013 noted that the title of the invention in the ‘560 Application did not correspond with the title specified in the description and notified the Patent Applicants that CIPO would use the latter. The Applicants contend that this was an indication the ‘560 Application substantially complied with the statutory requirements and that CIPO construed the ‘560 Application as being in compliance with the formalities. In other words, CIPO communicated to the Patent Applicants that substantial compliance with the *Patent Rules* satisfied the formalities required. Moreover, aside from the Notice of Abandonment, CIPO never resiled from this construction in any of its communications to the Patent Applicants prior to the decision of February 3, 2016.

[25] Since the ‘560 Application substantially complied with the requirements of s 37 of the *Patent Rules*, the Applicants submit that CIPO did not have the authority to requisition the Patent Applicants to comply with s 37 and, consequently, did not have the authority to deem the ‘560 Application abandoned.

[26] The second instance pertains to s 27 of the *Patent Act*, which states:

(2) The prescribed application fee must be paid and the application must be filed in accordance with the regulations by the inventor or the inventor’s legal representative and the application must contain a petition and a specification of the invention.

[...]

(6) Where an application does not completely meet the requirements of subsection (2) on its filing date, the Commissioner shall, by notice to the applicant, require the application to be completed on or before the date specified in the notice.

[27] The Applicants submit that CIPO never generated such a notice to the Applicants and the absence constitutes an admission and communication that the '560 Application was filed in accordance with the governing regulations. The Requisition does not meet the notice requirement since abandonment pursuant to s 27(6) of the *Patent Act* is a consequence of s 73(1), while abandonment pursuant to s 37 of the *Patent Rules* is a consequence of s 73(2). Section 37 cannot be duplicative of s 27 due to the interpretive presumption that the legislature does not speak in vain and because s 12(2) of the *Patent Act* states that: "Any rule or regulation made by the Governor in Council has the same force and effect as if it had been enacted herein." CIPO's failure to generate and transmit a notice pursuant to s 27(6) of the *Patent Act* constitutes a decision that the '560 Application met the requirements of s 27(2) on its filing date. Consequently, CIPO had no authority to issue a requisition under s 37 of the *Patent Act*.

[28] The third instance pertains to s 94 of the *Patent Rules*, which requires CIPO to communicate, on the 15-month period after the filing date of an application, a requisition for compliance with s 77 of the *Patent Rules*. The Applicants argue that such a notice was never provided and, therefore, constituted an admission and communication that the '560 Application contained a petition in compliance with s 77. The Requisition does not meet the notice requirement because it was generated and transmitted prior to May 3, 2013, which was 15 months after the filing date, and s 94 clearly requires CIPO to evaluate whether the application is in compliance on the expiry of the 15-month period of the filing date. The Applicants contend that CIPO never issued a notice pursuant to s 94 of the *Patent Rules* and, accordingly, must be taken to have decided that the '560 Application complied with the applicable requirements. Thus, CIPO had no basis or authority to issue a requisition under s 37.

(3) Communication of Compliance

[29] The Applicants further submit that, prior to February 3, 2016, CIPO consistently communicated that the '560 Application was in compliance and good standing, save for the Requisition and Notice of Abandonment. The Requisition was accompanied by a second letter, which implied that no response was needed to the first letter. The Notice of Abandonment was never received by the Applicants nor was its existence ever indicated to the Applicants.

[30] In addition to the instances pertaining to statutory construction, there were other communications that expressed to the Applicants that the '560 Application was in compliance.

[31] On October 2, 2014, CIPO issued a notice regarding the maintenance fee, which stated that "[f]ailure to pay within the prescribed time limit will lead to the abandonment of the patent application." The Applicants argue that this notice states that the '560 Application was not in a state of abandonment and reflects a decision by CIPO that it had no authority to issue a requisition under s 37 or a Notice of Abandonment.

[32] Similarly, on January 13, 2015, CIPO received and accepted the maintenance fee for Year 2, which implied that the '560 Application was not in a state of abandonment. The Applicants relied upon the representation in CIPO's decision.

[33] Furthermore, the record for the '560 Application contains no entry showing it as being marked as abandoned at any time. The '560 Application was marked as "Dead" on

February 3, 2015, which is in contrast to ordinary practice. As a result, even if the Applicants had attempted to verify the status of the '560 Application between February 3, 2014 and February 2, 2015 by reviewing its status on the CIPO website, there may have been no indication that the '560 Application was in a state of abandonment.

(4) Entitlement to Advanced Examination

[34] The Applicants argue that they are entitled to have their '560 Application considered for advanced examination. Their request for such an examination was rejected on the basis that the '560 Application was beyond the state of reinstatement, which reflects CIPO's failure to exercise discretion and is an incorrect interpretation of the *Patent Act* and *Patent Rules*. The rejection was inconsistent with both the wording and purpose of the legislation and a violation of the interpretive presumption of proportionality.

[35] CIPO's decision of May 17, 2016 construed s 73(3) of the *Patent Act* in isolation by taking the position that, at the moment of the expiry of the 12-month period after the date on which the application is deemed to be abandoned, no further rights subsist in the '560 Application, but the legislative text states otherwise. Sections 97 and 151 of the *Patent Rules* provide the circumstances in which an application is deemed to be abandoned under s 73(2) of the *Patent Act*. Section 28 obligates CIPO to advance a patent application to examination if it has been opened to public inspection and is likely to prejudice rights of the person who made the request if not advanced. Section 28 provides an exception if the application is deemed to be abandoned under s 73(1) of the *Patent Act*. The Applicants note, but do not concede, that if the Notice of Abandonment was valid, it was made pursuant to s 73(2) of the *Patent Act*.

Consequently, if the '560 Application was abandoned as a consequence of s 97 of the *Patent Rules* and s 73(2) of the *Patent Act*, CIPO was obligated to advance an examination of the '560 Application.

[36] The Applicants submit that the proper construction of s 73 is that s 73(1) provides for abandonment on the basis of non-compliance with substantive requirements of the *Patent Act*, while s 73(2) provides for abandonment for non-compliance with the formality requirements of the *Patent Rules*. This interpretation, which is consistent with the purpose of the *Patent Act* and the presumption of proportionality, would mean that a patent applicant that is in substantive compliance, but not in compliance with formalities, would suffer a penalty for non-compliance but still have some rights.

(5) Application of Maintenance Fees

[37] The Applicants submit that if the Requisition was not valid, or the deeming of the '560 Application to be abandoned was not valid, the decision to refuse to apply the payment for the maintenance fee was unreasonable and incorrect. Likewise, if the Applicants' submitted construction of the legislative scheme regarding abandonment and advanced examination is correct, the decision to refuse to apply the payment for the maintenance fee is unreasonable and incorrect.

[38] The Applicants also argue that if the Applicants are incorrect regarding the Requisition and the request for an advanced examination, the decision that no patent application rights subsist after the expiry of the 12-month period after the date on which the '560 Application was

deemed to be abandoned is incorrect, and CIPO should have applied the payment to the maintenance fees.

(6) Correction of the Patent Register

[39] The Applicants also submit that CIPO's decision to not correct the patent register in regards to the '560 Application is an inconsistent exercise of discretion. CIPO has the discretion to make corrections of dead applications, even where requisition pursuant to s 37 of the *Patent Rules* has been issued and not complied with; in fact, CIPO frequently makes corrections of the type requested by the Applicants where there have been miscommunications between CIPO and patent applications. The Applicants argue that they were in substantial compliance and made a good faith attempt to comply with formalities but were unaware of the marking of the Application as abandoned only due to not receiving the Notice of Abandonment and the subsequent representations made by the CIPO that did not indicate the '560 Application was abandoned.

(7) Order Requested

[40] In relation to the February 3, 2016 decision, the Applicants respectfully request:

- A. A declaration that the application filed on February 1, 2013 for the '560 Application complied with s 37 of the *Patent Rules*;
- B. A declaration that the requisition dated February 15, 2013 for a statement under s 37 of the *Patent Rules* had already been responded to on the filing of the '560 Application and so was already complied with;
- C. A declaration that CIPO had no authority to issue the requisition dated February 15, 2013 for a statement under s 37 of the *Patent Rules*;

- D. A writ of *mandamus* ordering CIPO to correct the Patent Registry to remove the status of “dead application” from the ‘560 Application and replace it with “Correction of Dead Application”;
- E. A writ of *mandamus* ordering CIPO to withdraw the Requisition dated February 15, 2013 for a statement under s 37 of the *Patent Rules*.

[41] In relation to the February 4, 2016 decision, the Applicants respectfully request:

- A. A declaration that the decision of CIPO that the maintenance fee payment dated January 22, 2016 in the amount of \$100.00 would not be applied to the ‘560 Application was in error;
- B. A writ of *mandamus* ordering the CIPO to apply the maintenance fee payment dated January 22, 2016 to the ‘560 Application.

[42] In relation to the May 17, 2016 decision, the Applicants respectfully request:

- A. A declaration that CIPO is obligated to accede to the Applicants’ request to advance the ‘560 Application to examination if it is determined that a failure to advance the ‘560 Application is likely to prejudice the Applicants’ rights;
- B. A declaration that a failure to advance the ‘560 Application to examination is likely to prejudice the Applicants’ rights;
- C. A writ of *mandamus* ordering CIPO to advance the ‘560 Application to examination;
- D. A declaration that the decision of CIPO that the payment for the fees for advance of the ‘560 Application for examination under s 28 of the *Patent Rules* and for requesting examination of the ‘560 Application under s 35(1) of the *Patent Act* would not be applied to the ‘560 Application was in error;
- E. A writ of *mandamus* ordering CIPO to apply fees for advance of the ‘560 Application for examination under s 28 of the *Patent Rules* and for requesting examination of the ‘560 Application under s 35(1) of the *Patent Act*.

B. *Respondent*

[43] The Respondent states that the Respondent is a disinterested party with respect to the Applicants and the '560 Application, and that the Respondent's concern in this application for judicial review is to ensure that the *Patent Act* and *Patent Rules* are applied consistently and in accordance with the existing jurisprudence.

(1) Standard of Review

[44] The Respondent agrees that the issues in this application attract a standard of correctness: see *Dutch Industries*, above, at paras 17-24.

(2) Abandonment of Application

[45] The Respondent submits that CIPO had both the authority and the obligation to requisition the Patent Applicants to comply with s 37(2) of the *Patent Rules*, which requires a statement indicating the name and address of the inventor and a declaration that the patent applicants are the legal representatives of the inventor in cases where a patent application, other than for a PCT national phase application, is not an inventor. The '560 Application did not contain such a statement and, as confirmed by the Federal Court of Appeal, the onus is on a patent applicant to ensure compliance with the *Patent Act* and *Patent Rules*: see *Acetlion Pharmaceuticals Ltd v Canada (Attorney General)*, 2007 FC 425; affirmed 2008 FCA 90. Consequently, CIPO was not obligated to infer that the Patent Applicants were the legal

representatives of the Inventors; the requirement for an explicit statement is established in the legislation and the Requisition was necessary to obtain the missing information.

[46] The fact that a filing certificate and a letter requesting the clarification of the title of the '560 Application was issued does not indicate that the Requisition was improper, since filing certificates may be issued notwithstanding the fact that not all requirements for the granting of a patent are met, subject to the issuance of a notice requiring the completion of the application: see the *Patent Act*, s 27(3), (6).

[47] Despite the deficiency and Requisition, the Patent Applicants did not respond, which is in contrast to the timely response the Patent Applicant made to a requisition in patent application '633 as cited in the Applicants' materials. Accordingly, when the time period for completing the '560 Application expired, it was by operation of law that it was deemed abandoned, a consequence that neither CIPO nor this Court has the jurisdiction to modify, set aside, or ignore.

[48] CIPO communicated the Notice of Abandonment and ability to reinstate the '560 Application through the designated representative of the Patent Applicants, which was the proper method for CIPO to communicate with the Patent Applicants. However, the Patent Applicants did nothing and the period expired. As there is no provision in the legislation for the '560 Application to be reinstated following the expiry of the 12-month period following abandonment, the '560 Application is beyond the period of reinstatement.

(3) No Error in Decisions

[49] The Respondent submits that CIPO did not err in not acceding to the Applicants' request to correct the '560 Application. CIPO had no authority to reinstate the '560 Application because it was beyond the period of reinstatement. Since the period of reinstatement could not be extended, CIPO did not err in refusing to apply the maintenance fee payment because there would be no valid purpose. Furthermore, CIPO did not err in not advancing the examination of the '560 Application. Subsection 28(1) of the *Patent Rules* requires a request for advanced examination of a patent application to be made if the failure to advance the application is likely to prejudice the rights of the person requesting it; however, as the '560 Application was abandoned and could not be reinstated after February 3, 2015, the Applicants had no rights remaining that could be prejudiced in any manner.

VIII. ANALYSIS

A. *General*

[50] The relevant facts in this application are not in dispute. The Court is being asked to review the Commissioner's interpretation and application of certain provisions of the *Patent Act* and the *Patent Rules*. The Court is of the view that a standard of reasonableness applies to this exercise. See *Biogen*, above, at paras 42 and 44 in particular..

[51] Although various statutory provisions come into play as part of the argument, the dispute is principally concerned with, and turns upon, the proper interpretation and application of s 37 of

the *Patent Rules* and s 73(3) of the *Patent Act* as applied to the facts of this case. For convenience, I will set out those provisions here:

Patent Act

Abandonment and Reinstatement of Applications

...

Reinstatement

73 (3) An application deemed to be abandoned under this section shall be reinstated if the applicant

- (a) makes a request for reinstatement to the Commissioner within the prescribed period;
- (b) takes the action that should have been taken in order to avoid the abandonment; and
- (c) pays the prescribed fee before the expiration of the prescribed period.

Abandon et rétablissement des demandes

...

Rétablissement

73 (3) Elle est rétablie si le demandeur :

- a) présente au commissaire, dans le délai réglementaire, une requête à cet effet;
- b) prend les mesures qui s'imposaient pour éviter l'abandon;
- c) paie les taxes réglementaires avant l'expiration de la période réglementaire.

Patent Rules

Inventors and Entitlement

37 (1) If the applicant is the inventor, the application must contain a statement to that effect.

(2) If the applicant is not the inventor, the application must contain a statement indicating the name and address of the

Inventeurs et droit du demandeur

37 (1) Lorsque le demandeur est l'inventeur, la demande doit contenir un énoncé à cet effet.

(2) Lorsque le demandeur n'est pas l'inventeur, la demande doit contenir un énoncé indiquant le nom et l'adresse de l'inventeur et la

- | | |
|--|--|
| inventor and, | déclaration suivante : |
| (a) in respect of an application other than a PCT national phase application, a declaration that the applicant is the legal representative of the inventor; and | a) à l'égard d'une demande autre qu'une demande PCT à la phase nationale, une déclaration portant que le demandeur est le représentant légal de l'inventeur; |
| (b) in respect of a PCT national phase application, either | b) à l'égard d'une demande PCT à la phase nationale : |
| (i) a declaration that the applicant is the legal representative of the inventor, or | (i) soit une déclaration portant que le demandeur est le représentant légal de l'inventeur, |
| (ii) a declaration as to the applicant's entitlement, as at the filing date, to apply for and be granted a patent, in accordance with Rule 4.17 of the Regulations under the PCT. | (ii) soit une déclaration relative au droit du demandeur, à la date de dépôt, de demander et d'obtenir un brevet, conformément à la règle 4.17 du Règlement d'exécution du PCT. |
| (3) A statement or declaration required by subsection (1) or (2) shall be included in the petition or be submitted in a separate document. | (3) L'énoncé et, le cas échéant, la déclaration, sont inclus dans la pétition ou présentés dans un document distinct. |
| (4) If an application does not comply with the requirements of subsections (1) to (3), the Commissioner shall, by notice to the applicant, requisition the applicant to comply with those requirements before the later of the expiry of the 3-month period after the date of the notice and the expiry of the 12-month period after the filing date of the application. | (4) Lorsqu'une demande n'est pas conforme aux exigences énoncées aux paragraphes (1) à (3), le commissaire exige par avis que le demandeur se conforme à ces exigences dans les trois mois suivant la date de l'avis ou dans les douze mois suivant la date du dépôt de la demande, selon celui de ces délais qui expire le dernier. |

[52] From the Respondent's perspective, the impact of these provisions in the present case is clear and unequivocal:

11. The regime for patent applications is firmly established by the *Patent Act* and the *Patent Rules*. Together, the various legislative provisions set out a complete code governing the duties of an applicant for a patent, the consequences of a failure to comply with those duties, and the steps that may be taken to avoid those consequences.

12. Section 37 of the *Patent Rules* provides that a patent application must include certain information concerning the inventors and applicants. Where such information is lacking, the Commissioner must send a notice to the applicants requisitioning them to comply with that section by the later of three months from the notice or twelve months from the filing of the patent application.

13. Where an applicant fails to comply with a requisition under section 37 of the *Patent Rules*, the patent application is deemed abandoned pursuant to section 73 of the *Patent Act*. The patent application can be reinstated within 12 months of the abandonment.

14. The *Patent Act* provides a statutory mechanism for reinstating patent applications. The reinstatement provisions have 3 requirements. The patent applicant must make an explicit request for reinstatement, the prescribed fee must be paid and the patent applicant must correct the action that cause the deemed abandonment.

15. The results of the application of section 73 of the *Patent Act* occur solely by virtue of the legislation, and not as a result of any decision made by the Commissioner.

[footnotes omitted]

[53] With regard to s 37 of the *Patent Rules* and s 73(3) of the *Patent Act*, the Applicants advance the following arguments:

[041] It is the position of the Applicants that the application filed February 1, 2013 complied with section 37 of the *Patent Rules*. Consequently, either the Requisition dated February 15, 2013 for a

statement under s. 37 of the Patent Rules (the “Section 37 Requisition”) had already been complied with upon Application or, alternatively, the Commissioner did not have the authority to generate and send the Requisition. Therefore, it is the position of the Applicants that any marking of the Patent Application as “abandoned” (and the Notice of Abandonment dated March 31, 2014) was invalid.

[042] It is the position of the Applicants that, other than the Section 37 Requisition and the Notice of Abandonment, at all material times prior to February 3, 2015, the Commissioner of Patents acted as if Patent Application complied with the applicable requirements and the Patent Office repeatedly communicated that position.

[043] It is the position of the Applicants that even if the Patent Application had gone abandoned for failure to respond to the Section 37 Requisition and beyond the period of reinstatement under subsection 73(3) of the Patent Act, the Commissioner is obligated to acceded to the Applicants’ request to advance the application to examination if the Commissioner determines that a failure to advance the application is likely to prejudice the Applicants’ rights.

[54] The context in which the Applicants’ arguments are advanced is telling. They are only raised because the Patent Applicants and/or their agents failed to respond to the letter of February 15, 2013 that contained the Requisition that the Patent Applicants at the time (TEC Edmonton and Alberta Health Services) comply with s 37 of the *Patent Rules* within the given time frame, which also made it clear that failure to comply with the Requisition would result in the abandonment of the ‘560 Application under s 73 of the *Patent Act*. The Applicants in this judicial review application have provided no reason for the failure to respond within the given time frame. The Applicants’ predecessors and/or their agents did not notify CIPO that they did not intend or need to comply with the requisition because they took the positions that they had already complied with it, or that the Commissioner did not have the authority to generate and send the Requisition. It would have been no hardship to respond to the Requisition and avoid the

consequences of abandonment, yet this did not occur. There is no evidence before me that the Patent Applicants and/or their agents at the time did not receive the Requisition and it appears on the prosecution register. There is just no explanation as to why the then Patent Applicants did not respond and/or did not question or seek review of the Requisition. Although the present application ostensibly seeks review of three later decisions that followed the abandonment, its real purpose is to have the Court review the Requisition. The Applicants are, for the most, attempting to do indirectly what they cannot do directly. In fact, part of the relief sought in this application is a “declaration that the Commissioner had no authority to issue the requisition dated February 15, 2013 for a statement under s 37 of the Patent Rules.” The only way the Court could grant such relief is under s 18.1 of the *Federal Courts Act* by way of an application for judicial review of that decision (i.e. the decision to send the Requisition). There is no such application before the Court and, even if I were to take the present application as implicitly requesting such a review, it has not been made within the 30-day time limitation in s 18.1(2) of the *Federal Courts Act*, and there is no request before me for an extension of time. The time has long passed for the Applicants to challenge the Requisition on the grounds stated in this application. Declaratory relief against a federal board or tribunal is available only on judicial review. See *ICN Pharmaceuticals Inc v Canada (Patented Medicine Prices Review Board)*, [1996] FCJ No 206; affirmed [1996] FCJ No 1065. Under s 18(3) of the *Federal Courts Act*, the remedies in s 18(1) “may be obtained only on an application for judicial review made under s 18.1.” Under s 18.1(2) an application has to be made “within 30 days after the time the decision or order was first communicated... to the party directly affected by it, or within any further time that a judge of the Federal Court may fix or allow before or after the expiration of those 30 days.” The Applicants have not complied with these rules so that the Court cannot review and provide declaratory relief

with respect to the Requisition, which stands as an unchallenged decision. But there is no unfairness in this because the record is clear that the Requisition was sent and noted on the prosecution register and there is no evidence it was not received or understood by the then Patent Applicants and/or their then agents. The present Applicants cannot now raise issues that should have been raised in 2013. As a consequence, the Applicants are now advancing legal arguments in an attempt to avoid a consequence that could easily have been avoided by responding to the Requisition.

[55] The same comments on fairness apply to the Notice of Abandonment that was sent by CIPO to the agents of the then Patent Applicants on March 31, 2014. That notice made clear that the '560 Application was deemed abandoned in February 3, 2014 for failure to respond to the s 37 Requisition. However, the notice also made clear that the '560 Application could be reinstated pursuant to s 73(3) of the *Patent Act*.

[56] This was not a reviewable decision because abandonment occurs by operation of law but, once again, the then Patent Applicants or their then agents did not respond directly to this notice or go about the simple task of having the abandonment '560 Application reinstated. The then Patent Applicants and their agents did not inform CIPO that no reinstatement action was required because, as far as they were concerned, the '560 Application could not be deemed abandoned under s 73(3) because there had been substantial compliance with s 37 of the *Patent Rules*, or for any other legal ground that the Applicants now advance.

[57] All of the Applicants' arguments in this application have only become necessary because their predecessors and/or their agents failed to do the obvious when they received the s 37 Requisition and the Notice of Abandonment. No evidence has been placed before me to suggest that compliance was not possible or that those responsible thought at the time that compliance was not necessary. And no evidence or explanation has been given for the failure to respond to the Requisition or the Notice of Abandonment.

[58] As a result, the Applicants are now left to advance fairly esoteric arguments in order to save themselves from the consequences of a failure by their predecessors to comply with the s 37 of the *Patent Rules*, or at least let CIPO know that they felt they had already complied, or the failure of their predecessors to seek judicial review of the Requisition.

[59] In this context, the Court must be extremely wary of adopting interpretations of the *Patent Act* and the *Patent Rules* that may well assist the Applicants, but which could seriously complicate the applicable statutory framework as well as the rules of judicial review. For example, if the Court were to accept the Applicants' arguments for "substantial compliance" this would introduce a considerable degree of uncertainty into the system for both CIPO and other applicants.

B. *Substantial Compliance Satisfies Formal Compliance*

[60] The Applicants' arguments on this issue contain several subtleties:

[050] On February 15, 2013, the Patent Office generated and sent two letters to the representative of the Applicants.

[051] In the first letter of February 15, 2013, the Applicants were “hereby requisitioned to comply with section 37 of the Rules” and the letter further noted that “when corresponding with the Office, please refer to... the title .of the invention.”

[052] Section 37 of the Rules requires that “If the applicant is not the inventor, the application must contain a statement indicating the name and address of the inventor and ... a declaration that the applicant is the legal representative of the inventor.” The Applicants’ Petition for Grant of a Patent included statements of whom the applicants are and whom the inventors are.

[053] While the first letter of February 15, 2013 requisitions compliance with section 37 of the Rules, it at no point states the Applicants are not in compliance nor does the letter provide any indication as to how the Applicants may not be in compliance with section 37 of the Rules. In the letter of February 3, 2016 where the Patent Office refused to correct the patent records, the letter states that “there was no statement complying with section 37 of the Patent Rules. “ This was the first instance of the Patent Office stating how the Applicants were not in compliance with section 37 of the Rules.

[054] In the second letter of February 15, 2013, the Patent Office “noted that the title of the invention identified in the Petition for Grant of a Patent does not correspond to the one specified in the description” and further that the Patent Office “will use the title of the invention as it appears in the description and not the one specified in the Petition for Grant of a Patent.”

[055] Notwithstanding that the Petition for Grant of a Patent contained no express statement that the Applicants “requests the grant of a patent for an invention, entitled METAMATERIAL LINER FOR WAVEGUIDE, which is described and claimed in the accompanying specification,” the Patent Office construed the application as containing that statement.

[056] In summary, the Patent Office sent a first letter stating that the Applicants’ Petition for a Grant of a Patent did not comply with the Rules and sent a second letter stating that, notwithstanding that the Petition for a Grant of a Patent did not comply with Rules formalities, since the Petition and attachments substantially complied with the patent application requirements, the Patent Office was construing the application as in compliance with the formalities.

[057] Consequently, the construction of the rules acted upon by the Patent Office - and communicated to the Applicants by the Patent Office - was that substantial compliance with the rules for a Petition for a Grant of a Patent satisfies the formalities rules for a Petition for a Grant of a Patent. Excepting the Notice of Abandonment that was never received by the Applicants, the Patent Office never resiled from this construction in any of its communications to the Applicants prior to its decision of February 3, 2016. The Applicants agree with this construction of the rules that the Applicants' substantial compliance with the rules for a Petition for a Grant of a Patent satisfies the formalities rules for a Petition for a Grant of a Patent.

[058] Since the patent application substantially complied with the requirements of subsections 37(1) to 37(3) of the Patent Rules, the Commissioner had not authority, per subsection 37(4) of the Rules, to requisition the Applicants to comply with those requirements. Consequently, the Patent Office had no authority to make the Section 37 Requisition and thus has no authority to deem the Patent Application abandoned.

[footnotes omitted]

[61] First of all, there is no evidence before me that, at the material time, the Applicants considered they had complied with s 37 of the *Patent Rules* for any reason whatsoever. Their arguments are all concocted and advanced well after the fact to justify and avoid the consequences of non-compliance with the letter of the law. As such, they are hardly reliable or persuasive guides to the interpretation of the relevant provisions.

[62] The Applicants' Petition for Grant of Patent may well have indicated who the applicants were and who the inventors were, but there is no declaration that the applicants were the legal representative of the inventors. The Applicants are saying that CIPO should simply have realized that the Patent Applicants were the legal representatives of the named Inventors because of other wording that did appear in the '560 Application that made it clear who the inventors were and

who the owners were. This is disputable, but it is not an argument that can be made before me because it requires me to judicially review the Requisition and, as previously explained, the Court is not now in a position to do that. If arguments for substantial compliance exist now, then they existed in February 2013, and could have been made to CIPO and, if necessary, in judicial review before the Court. That was not done.

[63] The letter of February 15, 2013 is clear as to why the Applicants are not in compliance with s 37 of the *Patent Rules*. Section 37 requires a particular declaration that “the applicant is the legal representative of the inventor.” The Patent Applicants and their representatives could read the provision, and determine what was required. If they were in any doubt, they could also have asked CIPO what is required. The Patent Applicants did neither.

[64] The fact that CIPO adopted the title of the invention that appeared in the description is no indication that it had accepted compliance with s 37 of the *Patent Rules*. The two issues are entirely unrelated. The title for an invention has no obvious legal consequences, while the issue of whether the Patent Applicants are the legal representatives of the Inventors does have legal consequences. This is why s 37 of the *Patent Rules* requires a formal declaration to establish legal representation.

[65] There was no indication from CIPO that substantial compliance with s 37 had been accepted. In my view, the Applicants’ arguments on substantial compliance are an attempt to avoid the obvious after the fact in relation to the Requisition that has not been challenged and is now beyond judicial review.

C. *Section 27 of the Patent Act*

[66] The Applicants' second argument is to the effect that because CIPO never sent a notice pursuant to s 27(6) of the *Patent Act*, it must be taken to have decided and represented that the '560 Application completely met the requirements of s 27(2) of the *Patent Act* on the filing date.

[67] The Applicants' reasoning on this point is as follows:

(2) Section 27 of the Patent Act

[059] Section 27 of the Patent Act reads, in part,

(2) The prescribed application fee must be paid and the application must be filed in accordance with the regulations by the inventor or the inventor's legal representative and the application must contain a petition and a specification of the invention. [...]

(6) Where an application does not completely meet the requirements of subsection (2) on its filing date, the Commissioner shall, by notice to the applicant, require the application to be completed on or before the date specified in the notice.

[060] At no point has the Patent Office ever generated or transmitted such a notice to the Applicants. The absence of such a notice is an admission and communication that the Patent Application was "filed in accordance with the regulations."

[061] The Respondent may allege that the notice requirement of Subsection 27(6) of the Act was met by the Section 37 Requisition. However, the legislation is incapable of bearing such a construction.

[062] Section 97 of the Rules states that (emphasis mine)

For the purposes of subsection 73(2) of the Act, an application is deemed to be abandoned if the applicant does not reply in good faith to any requisition of the Commissioner referred to in

section 23, 25, 37 or 94 within the time provided in that section[.]

[063] However, section 73 of the Act states, in part, that (emphasis mine):

(1) An application /or a patent in Canada shall be deemed to be abandoned if the applicant does not [...] (b) comply with a notice given pursuant to subsection 27(6). [...]

*(2) An application shall also be deemed to be abandoned in any **other** circumstances that are prescribed.*

[064] Since an abandonment pursuant to subsection 27(6) of the Act is a consequence of subsection 73(1) of the Act and an abandonment pursuant to section 37 of the Rules is a consequence of subsection 73(2) of the Act, a Requisition pursuant to section 37 of the Rules cannot be duplicative of a notice pursuant to section 27 of the Act.

[065] The interpretive presumptions that the legislature does not speak in vain such that “every word has meaning and function” - and thus that section 37 of the Rules cannot be duplicative of section 27 of the Act - is particularly demanded in construing the Patent Act and Rules as subsection 12(2) of the Act states:

Any rule or regulation made by the Governor in Council has the same force and effect as if it had been enacted herein.

[066] Since the Patent Office never generated and transmitted a notice pursuant to subsection 27(6) of the Act, it decided that the patent application “completely [met] the requirements of [subsection 27(2)] on its filing date.” As a consequence of that decision, the Patent Office had no authority to issue the Section 37 Requisition.

[Emphasis in original, footnotes omitted]

[68] Once again, there is no evidence that, at the material time, the Applicants or their predecessors ever thought about, or relied upon, any of this as a justification for not responding to the Requisition. It is all after-the-fact assertion that, in my view, does not accord with the rules of statutory interpretation, or the rules of judicial review.

[69] The facts are clear that, even if CIPO did not send a notice under s 27(6) of the *Patent Act*, it did not regard the application as fulfilling the requirements of s 27(2). It gave the Patent Applicants specific notice of this on February 15, 2013 by way of the Requisition to comply with s 37 of the *Patent Rules*.

[70] It seems to me that what the Applicants are really arguing here is that, as a matter of law, because no notice was given under s 27(6) of the *Patent Act*, CIPO could not send the February 15, 2013 Requisition under s 37 of the *Patent Rules*. I can see nothing in the *Patent Act* or the *Patent Rules* that requires, or justifies, such a result. However, in any event, the Applicants are again asking the Court to review the Requisition and declare it to have been issued without authority without an application for judicial review having been brought during the time allowed in s 18.1(2) of the *Federal Courts Act*, or as otherwise ordered by the Court.

D. *Section 94 of the Patent Rules*

[71] The Applicants make essentially the same argument with respect to s 94 of the *Patent Rules* as they have for s 27 of the *Patent Act*:

(3) *Section 94 of the Patent Rules*

[067] Section 94 of the Patent Rules reads, in part, (emphasis mine)

94 (1) If on the expiry of the applicable time prescribed under subsection (2) or (3) an application does not comply with the applicable requirements set out in subsection (2) or (3), the Commissioner shall, by notice to the applicant, requisition the applicant to comply with those requirements, [...]

(2) In respect of an application other than a PCT national phase application, for the purposes of subsection (1),

(a) the time is the 15-month period after the filing date of the application or, if a request for priority has been made in respect of the application, the 15-month period after the earliest filing date of any previously regularly filed application on which the request for priority is based; and

(b) the requirements are that [...]

(ii) the application contains the information and documents listed below:

(A) a petition complying with section 77
[...]

[068] The expiry of the applicable time prescribed by section 94 occurred on May 3, 2013. At no time on or after May 3, 2013, did the Patent Office provide the Applicants with a notice requisitioning that the applicants comply with the requirements in section 94 of Rules.

[069] The absence of such a notice is an admission and communication that the patent application “compl[ies] with the applicable requiremen[t] ... [that] the application contain[s] ... a petition complying with section 77.”

[070] The Respondent may allege that the notice requirement of Section 94 of the Rules was met by the Section 37 Requisition. However, the legislation is incapable of bearing such a construction.

[071] Section 94 of the Rules mandates the Commissioner evaluate whether the application is in compliance with the requirement to include a statement indicating the name and address of the inventor and a declaration that the applicant is the legal representative of the inventor, *on the expiry* of the 15-month period after the earliest filing date of any previously regularly filed application on which the request for priority is based (i.e. May 3, 2013). Since the Section 37 Requisition was generated and transmitted prior to May 3, 2013, it cannot be construed as fulfilling the notice required by Section 94.

[072] Since the Patent Office never issued a notice pursuant to Section 94 of the Rules, it decided that the Patent Application “compl[ies] with the applicable requirements.” As a consequence, the Patent Office decided that it had no basis and consequently no authority to issue the Section 37 Requisition.

[Emphasis in original, footnotes omitted]

[72] The Applicants say that s 94 renders the Requisition of no force and effect because the Commissioner could not, as a matter of law, send the Requisition under s 37 unless and until he had sent a notice to comply under s 94. This is debatable, but the Applicants have provided no authorities on point, and, once again, the purpose of advancing this argument now is to have the Court judicially review the Requisition and declare it to be of no force and effect because it was issued without authority.

[73] I come to the same conclusions as above with regard to s 27 of the *Patent Act*.

E. *Conclusions on Compliance*

[74] The Applicants say that “prior to its decision of February 3, 2016, the Patent Office consistently communicated to the Applicants that its [*sic*] Patent Application was in compliance with the rules and was in good standing, excepting the Section 37 Requisition (which was accompanied by a second letter implying no response was needed to the first letter) and the Notice of Abandonment (which was never received by, and whose existence was never indicated to, the Applicants).”

[75] The Notice of Abandonment was sent on March 31, 2014 to the then Patent Applicants through their agent. The Patent Applicants were also told that the '560 Application could be reinstated pursuant to s 73(3) of the *Patent Act*. Thus, the then Patent Applicants and their agents had at that time everything they needed to know about non-compliance under s 37 of the *Patent Rules* and abandonment under s 73 of the *Patent Act*.

[76] In documentation filed on June 10, 2014, TEC Edmonton assigned its rights in the '560 Application to the present Applicants in this application. In addition, previous agent appointments were revoked and a new agent was appointed for the Applicants, and the change was processed by CIPO on June 26, 2014.

[77] There was no obligation in law for CIPO to provide the present Applicants with the Requisition or the Notice of Abandonment. Both the Requisition and the Notice of Abandonment and the "Dead" designation were on the prosecution register. However, the main point is that by the time of the assignment, the time had long passed for challenging the Requisition. The Applicants cannot now attempt to revive rights (including the right to judicial review of the Requisition) that their predecessors allowed to lapse for no apparent reason.

[78] Nor has CIPO consistently communicated with the Applicants that the '560 Application is in compliance with the *Patent Rules*. CIPO has simply continued to conduct business with the Applicants (as it is obliged to do) until such time as the period for reinstatement expired. CIPO has done nothing to retract the Requisition or to negate the effects of the abandonment, which comes into play as a matter of law.

[79] The Prosecution History for the '560 Application is marked "Dead" as of February 3, 2015, which is a conventional way of describing a patent application that is beyond the period of reinstatement.

[80] There is no indication that the Applicants, at the time of the June 10, 2014 assignment, made any attempt to ascertain whether the '560 Application was subject to any notice of non-compliance or abandonment. In fact, their written arguments suggest they did not. The Applicants could have found out anything they needed to know about the '560 Application before they took the assignment. Instead, they now attempt to avoid a plain reading of s 37 of the *Patent Rules* and s 73 of the *Patent Act* with esoteric, after-the-fact, statements and arguments that, in my view, are not sustainable and are not an appropriate part of what amounts to an application for judicial review of the s 37 Requisition.

F. *Further Arguments*

[81] The Applicants advance further arguments in this application based upon their interpretation of the legal consequences of abandonment:

[081] On May 17, 2016, the Applicants' request for advanced examination of the patent application was rejected by the Patent Office. The justification for this rejection was that "Office Records indicate the current state of the application to be beyond the period of reinstatement. Therefore, no action can be taken on the file." In reaching such a conclusion, the Commissioner failed to exercise her discretion and incorrectly interpreted the relevant provisions of the Patent Act and the Patent Rules. Not only was the Commissioner's decision inconsistent with the clear wording of the legislation, but it is inconsistent with the purpose of the *Patent Act* and violates the interpretative presumption of proportionality.

[082] The construction of the legislation by the Patent Office in its decision of May 17, 2016 was, in effect, to construe

subsection 73(3) of the Act in isolation from the rest of the legislative scheme. The Patent Office appears to take the position that at the moment of “the expiry of the 12-month period after the date on which the application is deemed to be abandoned,” no further rights subsist in the patent application. Such a categorical construction of a subsection of the Patent Act within a complex legislative scheme that clearly envisions various degrees of subsisting patent application rights, demonstrates a clear and considerable error in construing even its home statute.

...

[086] If the Notice of Abandonment is valid, which is not conceded, the Patent Application became abandoned - and, thus, was subsequently marked by the Patent Office as dead - as an operation of subsection 73(2) of the Patent Act.

[087] For a patent application that has been opened to public inspection, section 28 of the Patent Rules obligates the Commissioner to advance a patent application to examination on the request of any person whose rights are likely to be prejudiced if the patent application is not advanced. The Commissioner may only not advance such a request where (a) “the Commissioner extends, under subsection 26(1), the time fixed ... for doing anything in respect of the application” or (b) “the application is deemed to be abandoned under subsection 73(1) of the Act” (emphasis mine).

[088] Since section 28 of the Patent Rules specifically refers to an abandonment under subsection 73(1) of the Patent Act, it excludes an abandonment under subsection 73(2).

[089] Since the Patent Application was stated by the Patent Office to be abandoned as a consequence of the operation section 97 of the rules and consequently subsection 73(2) of the Act, the Commissioner is obligated to accede to the Applicants’ request to advance the application to examination if she determines that a failure to advance the application is likely to prejudice the Applicants’ rights.

Legislative Purpose and the Presumption of Proportionality

[090] The Applicants’ construction of the legislation in regards to abandonment and advanced examination is not only correct in light of the clear wording of the legislation, but is correct in light of the presumption of proportionality and accords with “the principal

object of the Patent Act” to “promote the development of inventions so as to benefit both inventors and the public”

[091] Had Parliament intended that abandonment under subsection 73(1) and subsection 73(2) to be identical, it would not have distinguished between abandonments under the different subsections throughout the legislative scheme⁷⁶ (and would rather have simply referred to abandonment under section 73) and it could have easily made subsection 73(2) a paragraph of subsection 73(1), rather than a subsection in its own right.

[092] The correct construction of section 73 is that subsection 73(1) provides for abandonment for non-compliance with the substantive requirements of the Patent Act and subsection 73(2) provides for abandonment for non-compliance with the formalities requirements of the Patent Rules. Thus, almost no patent application rights subsist for a patent application that is deemed to be abandoned under subsection 73(1) and beyond the expiration of the prescribed period for reinstatement for substantive non-compliance. However, some patent application rights subsist for a patent application that is deemed to be abandoned under subsection 73(2) and beyond the expiration of the prescribed period for reinstatement for formalities non-compliance, in particular the right to request advanced examination.

[093] The construction of the legislation given by the patent office -that a failure to adhere to a filing formality results, without further received notice, in a complete loss of patent rights - is inconsistent with the purpose of the Patent Act and violates the presumption of proportionality. A patent applicant that is in substantive compliance with the requirements of the *Patent Act*, but in non-compliance with the formalities of the Patent Rules should suffer a penalty for his non-compliance, but the penalty should not be so disproportioned as a loss of all substantive rights in the patent application.

[094] In contrast, the Applicants’ construction of the legislation provides a penalty that is proportionate to the nature of the non-compliance. Namely, a failure to conform to formalities results in a period of abandonment for which no damages for patent infringement may be claimed, rather than a complete loss of patent rights.

[emphasis in original, footnotes omitted]

[82] These are bare arguments and no legal authority is advanced to support them. The short answer is that there is now no live patent application to be examined because, as a matter of law, abandonment means the '560 Application is beyond redemption. As the Respondent points out, the consequences of s 73 of the *Patent Act* occur not as a result of a decision of CIPO, but by virtue of the legislation itself.

[83] What legal authority we have on point is clear. The following conclusions from Justice Mosley in *DBC Marine Safety Systems Ltd v Canadian Patents (Commissioner)*, 2007 FC 1142 [*DBC Marine FC*] are equally applicable here:

[28] The Commissioner has only the powers explicitly granted in the Act. A statutory body, such as the Commissioner of Patents, has no inherent jurisdiction to relieve against inadvertent errors or omissions such as occurred in this instance. This was made clear by the Court of Appeal in the analogous context of administrative actions taken by the *Registrar of Trademarks in Anheuser-Busch, Inc. v. Carling O'Keefe Breweries of Canada Ltd.*, [1983] 2 F.C. 71 (C.A.), 142 D.L.R. (3d) 548.

[29] In circumstances where a statutory regime has been expressly laid out by Parliament, without discretionary powers granted to the body overseeing the operation of the statute, the effects of that regime cannot be waived either by the administrative body or this Court. Even where steps have been taken by the Commissioner to ease harsh consequences, they are of no effect where they are not explicitly authorized by the Act: *Barton No-till Disk Inc. v. Dutch Industries Ltd.*, 2003 FCA 121, [2003] 4 F.C. 67, leave to appeal to the S.C.C. dismissed December 11, 2003, [2003] S.C.C.A. No. 204.

[30] The applicant submitted that section 73(1)(a) of the Act requires the Commissioner of Patents to decide whether an applicant's response to a requisition has been in good faith. It was further argued that that decision is reviewable, and the clear attempts of the applicant to respond to the requisition letter would meet the requirements of that section. The respondents countered that there is no question of assessing good faith where there was no response. They asserted that each requisition must be given a separate response and that DBC Marine failed to respond to the

second requisition contained in the Office Action of August 10, 2004.

[31] As I have noted above, I find the applicant's argument in this matter unpersuasive. The applicant failed to respond to both requisitions, despite the clear indication on the letter received by their agent that such lapse would result in abandonment. Replying in good faith to one requisition in an office action containing two is not the equivalent of replying in good faith to both. The statute allows for no "good faith" exception to the requirements of paragraph 73 (1)(a) where there has been a failure to respond to a requisition.

[32] The applicant further argued that the question of whether a reply has been in good faith is an inherently subjective one, which the patent applicant cannot answer for themselves. It is thus necessary, it is contended, that the Examiner issue a Final Action under Rule 30 where the applicant has failed to adequately respond to a substantive requisition, and the twelve-month period in which the application could be reinstated would begin.

[33] The abandonment and reinstatement provisions of the Act do not allow for the exercise of discretion by the Commissioner but impose obligations upon the applicant that must be met. There is no decision on the Commissioner's part in this process which affects the rights of the applicant: *F. Hoffman-La Roche AG v. Canada (Commissioner of Patents)*, 2005 FCA 399, [2005] F.C.J. No. 1977. This lack of discretion includes the inability to set a new point to begin the period in which reinstatement can occur.

[34] Thus, where an applicant fails to respond to a requisition and the application is not reinstated within the year provided to rectify the situation, the patent application is abandoned as a matter of law. There is no discretionary decision which is reviewable by the Court.

[Emphasis added]

[84] Justice Mosley was fully endorsed in this position by the Federal Court of Appeal in *DBC Marine Safety Systems Ltd v Canada (Commissioner of Patents)*, 2008 FCA 256 [DBC Marine FCA]:

[3] We agree with Mr. Justice Mosley's conclusion at paragraph 34 of his Reasons for Judgment (2007 FC 1142).

Thus, where an applicant fails to respond to a requisition and the application is not reinstated within the year provided to rectify the situation, the patent application is abandoned as a matter of law. There is no discretionary decision which is reviewable by the Court.

[85] In the present case, the Applicants seek to avoid these consequences in two principal ways. First of all, they attack the Requisition (which is the root of their problems) and ask the Court to order that the Commissioner had no authority to issue the Requisition, so that what happened subsequently was of no force and effect. For reasons already given, the Court cannot now review the Requisition. Their second principal approach is to argue that the *Patent Act* may, in this context, mean a diminishment of rights but it does not mean that all rights in the '560 Application were lost, and the Applicants still have the right to have the '560 patent examined and issued. The Applicants argue in particular that there is, or ought to be, a difference between abandonment for formal non-compliance (i.e., here, the failure to provide a s 37 declaration) and abandonment for substantive non-compliance (i.e., some defect in the patent claim that goes to the validity of the patent itself).

[86] This may sound reasonable in theory, but there is no indication in the *Patent Act*, the Requisition or the *Patent Rules* that this should be the case when, applying the accepted rules of statutory interpretation, "the words of an Act are to be read in their entire context and in their grammatical and ordinary sense harmoniously with the scheme of the Act, the object of the Act, and the intention of Parliament": *Rizzo & Rizzo Shoes Ltd (Re)*, [1998] 1 SCR 27 at para 21; *Wilson v Atomic Energy of Canada Ltd*, 2016 SCC 29 at para 102. There is nothing, in my view,

to suggest that this is what Parliament intended. As the Federal Court of Appeal in *DBC Marine FCA*, pointed out, endorsing Justice Mosley:

[2] The regime for patent applications is firmly established by the *Patent Act* and the *Patent Rules*. Together, the various legislative provisions set out a complete code governing the duties of an applicant for a patent, the consequences of a failure to comply with those duties, and the steps that may be taken to avoid those consequences.

[87] It is also worth pointing out that Justice Mosley said in his decision that “harsh consequences” cannot be remedied by discretion “where they are not explicitly authorized” (emphasis added).

[88] In the present case, the Applicants may well believe that a total loss of rights to a patent is a “harsh consequence” of a failure by their predecessors to respond to the Requisition and to rectify the defect in the 12 months allowed before the ‘560 Application was finally abandoned or rendered “Dead” as a matter of law, but I cannot find in the legislation or the jurisprudence any way to avoid this consequence.

[89] The consequences are not the fault of the legislation. The *Patent Rules* provided the original Patent Applicants and their agents with a totally fair opportunity to rectify the ‘560 Application by responding to the Requisition, and to avoid abandonment by simply rectifying within a 12-month period. This is an exceptionally long period of time for such a simple response. No one who wishes to complete a patent application is likely to lose their patent rights under these rules if they are clearly and fairly administered, which they were in this case.

So this is no harsh regime; it provides plenty of scope and time to correct any defects, for applicants who are paying attention.

[90] I think that if someone receives a notice of a defect and fails to respond to both a requisition and an abandonment notice that gives them 12 months to rectify, it can be reasonably assumed by CIPO that they have no further interest in pursuing the patent. Why would anyone with an interest in having the patent examined and issued allow an application to be abandoned in this way? No explanation has been provided as to why this occurred in this case.

[91] The problem here is not the patent regime. The problem is that the present Applicants inherited a situation that, on the facts before me, is simply incomprehensible if there was any interest at the time of the Requisition and the abandonment notice in pursuing the '560 Application to fruition.

[92] The Applicants have not established that, in the present context "abandonment" means anything else than that the '560 Application is, for all purposes under the legislation "Dead" and hence is not capable of being examined or prosecuted further because, under the *Patent Act* and the *Patent Rules*, as Justice Mosley made clear in *DBC Marine FC*, where an applicant fails to respond to a requisition and the application is not reinstated within the year provided to rectify the situation the patent application is abandoned as a matter of law. The Commissioner has no discretion to reinstate it. There is also no indication in the *Patent Act* or the *Patent Rules* that abandonment in this context means that the patent application can still be pursued to examination and issued. In a situation where the statutory regime has been expressly laid out by Parliament,

the Court cannot simply read in distinctions that may suit the Applicants' purposes but which are not indicated by the legislation itself.

JUDGMENT

THIS COURT'S JUDGMENT is that

1. The application is dismissed with costs to the Respondent.
2. If the parties cannot agree on the quantum of costs, then they may approach the Court on the issue. They should do this, initially at least, in writing.

“James Russell”

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-306-16

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