

## IP OVERVIEW FOR CANADA

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In Canada, the administration and processing of the most common forms of intellectual property such as trade-marks, copyright, patents and industrial designs is generally overseen by CIPO (Canadian Intellectual Property Office), an agency of Industry Canada. As for IP litigation, it typically occurs in the Federal Court although provincial courts (generally the Superior Court of each province) exercise concurrent jurisdiction mainly in matters of infringement of IP rights. Successful IP claimants can be awarded injunctions, damages or the infringer's profits, delivery up of infringing goods or labels, pre- and post judgment interests and in most cases, costs in the form of part of the attorneys' fees and disbursements incurred.

#### Trade-marks

A trade-mark may consist of a word or words, a design, a slogan, or a shaping of goods (the latter is referred to in Canada as a distinguishing guise) used to identify the source of goods and services. In essence, trade-mark rights are acquired at common law (or at civil law in the Province of Québec) through use of a trade-mark. While registration of a trade-mark in order to obtain enforceable trade-mark rights is not required, there are several advantages to registering a mark, one of the most important being that registration confers exclusive rights for the use of the trade-mark throughout Canada, even though the owner may only be using the mark in one specific area of the country. Trade-marks are governed by the *Trade-marks Act* and registrations are issued by the Registrar for an initial 15 year period renewable for subsequent 15 year terms only upon payment of the renewal fee, without the requirement for filing specimens or affidavits evidencing use.

On March 31<sup>st</sup>, 2009 a new Practice Notice governing opposition proceedings came into effect. Amongst the changes, are new delays applicable at various junctures of an proceeding, including the introduction of a new practice for granting extensions of time amounting to a "cooling-off" period up to a maximum benchmark of nine (9) months, thereby encouraging parties to pursue settlement negotiations. The Registrar's benchmarks for granting extensions of time have also been simplified. Moreover, some guidance has been provided as to what may constitute exceptional circumstances allowing the Registrar to grant further extensions of time at the different stages of an opposition proceeding.

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## Copyright

Copyright addresses the protection of all original literary, dramatic, musical and artistic works including computer programs, compilations, performer's performances, sound recordings and communication signals.

Generally, the owner of copyright is the author of the work unless the work is created in the course of employment in which case the copyright owner is the employer, unless agreed to the contrary. An author also has moral rights which include the right to have his/her name associated with the work and the right to approve any changes to the work.

Copyright rights are acquired automatically upon creation of an original work. It is preferable to register one's copyright with the Copyright Office and to indicate notice of copyright on one's works. A registration certificate is useful in court to establish subsistence and ownership of copyright, and to shift the onus to the other party to disprove these presumptions. Copyright generally exists of the life of the author plus 50 years following death. If assigned, it runs for the life of the author plus 25 years before reverting to the estate of the author for the remaining 25 years. A successful plaintiff may obtain from the courts damages and/or profits. Under current copyright law, the court may also grant, under certain circumstances, statutory damages which may amount up to \$20,000 per infringement.

Technological advances since the last major reform to the *Copyright Act* prompted Canada to update its copyright legislation by proposing amendments in June 2008 (Bill C-61). The purpose of the reforms is to enhance copyright owners' ability to control and exploit their works in an online environment while ensuring Canadians can use digital technologies without risk of violation copyright. For instance, under the proposed amendments, new exceptions will allow Canadian consumers to legally record television shows for later viewing and copy legally acquired music onto other devices such as iPods and mobile phones. The proposed bill also seeks to limit consumer exposure to liability for infringing copyright materials for private, non commercial use by imposing a limit of only \$500,00 statutory damages for all private use infringements.

Unique to Canada, the amendments also propose to limit the liability of Internet Service Providers while clarifying the role ISP's should play in curbing copyright infringing activities on their networks as well as specific exceptions for the education use of publically available material on the Internet. Any Canadian individual, organisation or association was invited to participate in a copyright consultation process which ran between July 20<sup>th</sup>, 2009 and September 13<sup>th</sup>, 2009. The next step is for the government of Canada to draft and table new legislation subsequent to these consultations.

# **Patents**

In Canada, there is no file-history estoppel in claim interpretation, no claim fees and no continuation practice.

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At the prosecution level, the Canadian Intellectual Property Office (CIPO) has taken a firm position on certain patentable subject-matter and abandonment issues. CIPO presently does not accept claims directed to multicellular organisms (unicellular are acceptable), signals, or intangible information-processing "business" methods, although these issues have not been directly dealt with in the courts.

It is also CIPO's practice to issue Office Actions which, if improperly answered by the applicant, can result in "multiple abandonments". Each of the grounds for an application's abandonment, typically the failure to take a requested action, must be overcome in order to reinstate the application. Reinstatement can only be accomplished within a one-year window from abandonment.

CIPO is also bringing its practice in line with recent Canadian jurisprudence, notably the Supreme Court's 2008 decision upholding the validity of "selection patents" and clarifying the tests for anticipation and obviousness. Anticipation is determined using a two-step approach considering disclosure and then enablement. As for obviousness, the Supreme Court, after reviewing jurisprudence from the U.S., the U.K. and Australia, set out a four-step approach for assessing obviousness and also tackled the notion of "obvious to try". The court concluded that "obvious to try" was a factor to consider and should be evaluated based on whether it is "more or less self-evident" that the invention ought to work, whether there are a "finite number of predictable solutions" known to a person skilled in the art, and whether only "routine" experimentation was required to achieve the invention.

The Federal Court of Canada has also recently rendered a decision on an applicant's "duty of candour" during prosecution, particularly when replying to Office Actions. While this decision may be appealed, applicants should take care that any statements on the record, especially with regard to prior art, are full, fair and do not misinform the Examiner.

## **Industrial Designs**

The features of shape, configuration, pattern or other non-functional ornamentation (or any combination thereof) applied to a finished product may be protected by industrial design under Canada's *Industrial Design Act*. The author of a design is the first proprietor thereof unless he has executed the design for another person for good and valuable consideration, in which case the other person is the first proprietor and should file an application. Applications should be filed within one (1) year of the publication of the design (i.e. every means which renders the design available to the public including offered for commercial sale) in any country of the world. Industrial designs are registered with the Canadian Industrial Design Office. Registration of an industrial design confers exclusive rights for a period of five (5) years from the date of registration and can be renewed only once for a further five (5) year period upon payment of a maintenance fee.

Amendments to the *Industrial Design Regulation*s came into force on October 5<sup>th</sup>, 2008. Among the highlights is an increased flexibility on color, size and quality of drawings requirements, on clarity regarding illustrating the design in drawings and photographs as well as added flexibility on the inclusion in a design application of an article's environment.

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### **Domain Names**

Canadian Internet Registration Authority (CIRA) is the not-for-profit corporation that manages the .ca country code top-level domain. There are now over 1.3 million .ca domain names in the registry. Only people and organizations that meet CIRA's Canadian Presence Requirements (CPR) may register and hold .ca domain names. Corporations that are not constituted under the laws of Canada but that own trade-marks registered in Canada are entitled to register and hold .ca domain names, but only consisting of or including the exact word component of those registered trade-marks. A person initiating a proceeding under CIRA's Dispute Resolution Policy (CDRP) must satisfy the CPR. The notions of "legitimate interest" and "registration in bad faith" are defined exhaustively in the CDRP. Pursuant to CIRA Whois Policy implemented since June 10<sup>th</sup>, 2008, private information about individual registrants are no longer accessible through public Whois searches, and private information of corporate registrants are displayed by default. To contact a Registrant whose privacy is protected, one must use an online message delivery form provided by CIRA. This step is required by CIRA prior to processing any request filed for disclosure of registrant information in accordance with the applicable rules and procedures.

