



FEDERAL COURT OF CANADA RULES ON DEFINITION OF “APPLICANT” IN A DIVISIONAL PATENT APPLICATION

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The Federal Court of Canada recently granted an application for judicial review of a decision of the Commissioner of Patents who had previously denied a company the recognition of its a divisional patent application on the basis that it was not the “original applicant” on the initial patent. [*Vita-Herb Nutraceuticals Inc. v. Attorney General of Canada et al.*, 2010 FC 1203, November 30, 2010, Lemieux, J.]

The Facts

In 2005, further to the filing of an international patent application, Probiohealth LLC (“Probiohealth”) requested that the Canadian Intellectual Property Office commence the national phase entry of its patent application.

Probiohealth’s Canadian patent application number 2,503,510 (“’510 Application”) designated two inventors and it covered two inventions. Consequently, in 2006, Probiohealth’s patent agents proceeded to voluntarily cancel a number of claims in the ‘510 Application. The name of the inventor of the cancelled claims was also eventually removed from the ‘510 Application.

A few months later, the Applicant Vita-Herb Nutraceuticals Inc. (“Vita-Herb”) filed Canadian patent number 2,549,115 (“’115 Application”) and stated that it was a division of the ‘510 Application. The ‘115 Application covered the invention described in the now cancelled claims of the ‘510 Application. It also designated a single inventor, who had also been named in the ‘510 Application, and the same priority date as the ‘510 Application. Upon receipt of the ‘115 Application, the Commissioner of Patents wrote to the patent agents for Vita-Herb indicating that “only the applicant (or subsequent owner) of an application is entitled to file a divisional”.

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In 2007, Vita-Herb's patent agents filed an assignment of the '115 Application, from the sole inventor to Vita-Herb. In 2008, a request for reconsideration of the divisional status was requested by Vita-Herb on the basis that the Canadian *Patent Act* (R.S.C. 1985 c. P-4) states that an "applicant" includes "an inventor and the legal representatives of the application or inventor" and that Vita-Herb is the legal representative of the inventor of the '115 Application by virtue of the assignment.

In 2009, the Commissioner of Patents denied the request for reconsideration and Vita-Herb thus initiated an application for judicial review of the Commissioner's decision.

The Law

The Court and the parties in this case recognised that there was no case law on the issue of the definition of an "applicant" in the context of a divisional application.

It is worthwhile to reproduce the relevant excerpts of the *Patent Act* as follows:

2. In this Act, except as otherwise provided,

"applicant"

"applicant" includes an inventor and the legal representatives of an applicant or inventor;

DIVISIONAL APPLICATIONS

Patent for one invention only

36. (1) A patent shall be granted for one invention only but in an action or other proceeding a patent shall not be deemed to be invalid by reason only that it has been granted for more than one invention.

Limitation of claims by applicant

(2) Where an application (the "original application") describes more than one invention, the applicant may limit the claims to one invention only, and any other invention disclosed may be made the subject of a divisional application, if the divisional application is filed before the issue of a patent on the original application.

Limitation of claims on direction of Commissioner

(2.1) Where an application (the "original application") describes and claims more than one invention, the applicant shall, on the direction of the Commissioner, limit the claims to one invention only, and any other invention disclosed may be made the subject of a divisional application, if the divisional application is filed before the issue of a patent on the original application.

[...]

Separate applications

(4) A divisional application shall be deemed to be a separate and distinct application under this Act, to which its provisions apply as fully as may be, and separate fees shall be paid on the divisional application and it shall have the same filing date as the original application.

The Federal Court Judgement

The Court carefully considered the many arguments of counsel for the parties. Summarily, counsel for Vita-Herb argued that the Commissioner of Patents was incorrect in law in asserting that only the “original” applicant, namely Probiohealth, met the statutory requirement to file a divisional application under section 36 of the *Patent Act*. Counsel for the Commissioner of Patents argued that based on the ordinary principles of statutory interpretation, the purpose of divisional applications and the overall scheme and object of the *Patent Act*, only the entity that filed the original patent, from which the divisional patent is derived, is entitled to file a divisional patent application. In this case, the entity would be Probiohealth.

Justice Lemieux disagreed with the arguments of the Commissioner of Patents. He noted that in its submission, the Commissioner of Patents committed fundamental factual errors which affected the Commissioner’s interpretation of the *Patent Act*.

According to Justice Lemieux, the Commissioner erroneously submitted that Vita-Herb had filed the ‘115 Application in an attempt to divide the ‘510 Application, when the facts of the case revealed that there was a voluntary carving out by Probiohealth of a number of claims of the ‘510 Application, which then in turn led Vita-Herb to file the ‘115 Application. According to Justice Lemieux, the voluntary carve-out by Probiohealth opened the door to the divisional application mechanism, as per section 36(2) of the *Patent Act*.

The Court also accepted Vita-Herb’s principal argument that section 2 of the *Patent Act* defines an “applicant” in the context of the *Patent Act* and that this definition also applies to the divisional patent application process. Consequently, the Court agreed with Vita-Herb that the inventor named in the ‘115 Application, or his legal representative by assignment, in this case Vita-Herb, were persons qualified to file the divisional ‘115 Application.

The Court allowed the application for judicial review, with costs, and ordered that the matter be remitted to the Commissioner of Patents for re-determination in accordance with the reasons set out in the judgement.

Conclusion

This case is a welcome clarification to an otherwise strict interpretation of section 36 of the Canadian *Patent Act*. It also case illustrates some of the unexpected twists

and turns that a file may take in what would otherwise appear as a straightforward Canadian patent application. Patent applicants should seek and obtain the requisite advice from their Canadian patent agents on the possible hurdles they may face during the prosecution process in the event of changes in ownership of the patent application or in the event of voluntary modifications to the patent claims.



