

Chapter 6

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Chapter 6

Ownership and registration

6.01 Introduction

Making an invention confers a property right on the inventor or in some cases on an employer of an inventor where the invention was made in the normal course of employment. This right includes the entitlement to apply for a patent and such right may be transferred to another person at any time with proper documentation (sections 49 and 50 of the *Patent Act*). As defined in section 2 of the *Patent Rules* a "transfer" means a change in ownership of a patent, of an application or of an interest in an invention and includes an assignment. Such a transfer may be effected at any time beginning at the date of invention and during the term of any patent which may issue in respect of that invention.

The history of transferring or passing on the right to a patent or an application is called the chain of title. The chain of title reflects any document that transfers ownership or that change the name of the owner. Such documents are, for example, assignments, mergers, change of name documents or wills.

By virtue of Section 50(1) of the *Patent Act*, the owner of a patent may assign the right, either wholly or partially, either generally or subject to territorial limitations, and either for the whole term of the patent or for any part thereof. A patent right may be regarded as divisible as to content, territory, or time, and in each case the assignee is to be regarded as the owner of the part assigned, and the assignor as the owner of the part not assigned. There may thus be more than one owner of the rights in a patent at one time.

6.02 Evidence

Where an application is filed in the Patent Office by a person who is not the inventor the applicant must, before a patent issues, file evidence that the applicant is a legal representative of the inventor and copies of documents effecting transfers relevant to the applicant's entitlement to file the application. The documentation and the fee for

registration of the ownership should preferably be provided at the time of filing. In this case, the requirements of section 37 of the *Patent Rules* are complied with and the ownership documentation will be registered by the Patent Office and a certificate of registration will be sent to the applicant.

If the ownership documentation is not present or is incomplete the Patent Office will notify the applicant and will indicate the documents required for registration. This notification will be included in a courtesy letter which will inform the applicant of any deficiencies regarding the formal requirements of the application. The documentation required to establish ownership is not a completion requirement and is not subject to the same time limits as provided under section 94 of the *Patent Rules* for incomplete applications. However, as a matter of office practice, if the ownership documentation is not provided within 12 months of the Canadian filing date, or the national entry date of an application filed under the provisions of the PCT, the Commissioner will requisition the applicant to submit such documentation, requiring registration of the documents and the registration fee within 3 months of the requisition. If the applicant fails to reply in good faith to this requisition, the application becomes abandoned in accordance with section 97 of the *Patent Rules*. This 3 month time limit may be extended under section 26 of the *Patent Rules*.

In the case where an application is allowed, a patent shall not be granted to a transferee of said application unless the request for registration of the transfer is filed on or before the final fee is paid and the patent will issue in the name of the applicant as it existed at the time the final fee was paid. Transfers requested after the final fee is paid will not be processed until after the patent has issued (section 41 of the *Patent Rules*).

6.03 Registration

With the exception of transfers and exclusive license agreements, the Commissioner must register any document relating to a patent or an application upon the request of any person and upon payment of the fee set out in item 21 of Schedule II to the *Patent Rules* (section 42 of the *Patent Act*). Transfer documents relating to exclusive license agreements must be accompanied by proof of execution in accordance with subsection

49(3) and subsection 50(3) of the *Patent Act*. The following are examples of the type of proof that will be accepted for the purposes of section 49(3) and 50(3) of the *Patent Act*:

- an affidavit of a subscribing witness,
- the signature of a witness on the document, or
- the signature of the assignor if either the assignor or the agent of record indicates on the covering letter that the transfer or agreement was signed by the assignor,
- a corporate seal on the document.

In accordance with section 71 of *Patent Rules*, all documents submitted for registration must be in English or French or be accompanied by a translation into English or French.

Copies or photocopies of any document purporting to transfer ownership of a patent application will be registered by the Patent Office without requiring certification.

The following are required to proceed to register a transfer:

- the document must be signed and dated,
- a person signing on behalf of a company must specify his/her position and capacity to sign
- the complete address of the new owner must be given,
- all previous steps in the chain in title must have been recognized by the Commissioner of Patents;
- the document must identify the application or patent, either by the application or patent number, by priority information or any other suitable way that will allow the Patent Office to positively identify the correct document,

- the document must be specific with respect to which Canadian rights are being transferred and for amalgamations, mergers and consolidations it is not necessary to submit the entire document but only the relevant extracts and provide a precise statement of the portion of interest transferred.

In the case where there appears to be insufficient documentation, the Patent Office will send an office letter requisitioning clarification.

The following is a list of examples of various document types which can be registered:

(A) TRANSFER

Transfer per se

- assignment of all interest
- assignment of partial interest
- transfer of assets
- court orders
- wills
- amalgamations
- mergers
- consolidations

Updates

- change of names
- marriage certificates
- changes of incorporation
- affidavits

Other documents

- writ of Fieri Facias
- seizures
- court orders
- disclaimers

(B) AGREEMENTS

- notice of license agreement
- exclusive license agreement
- license agreements

- security agreements
- debentures
- compulsory licenses
- release of security agreements

6.04 Applicant for PCT applications at National Entry

Upon entry into the national phase in Canada an applicant who has filed an international application under the provisions of the Patent Cooperation Treaty (PCT) must comply with the requirements specified in subsection 58(1) of the *Patent Rules*.

The Patent Office requires certain documents concerning ownership for the granting of patents. The following situations may occur as outlined below.

1. The applicant who originally filed an international application requests entry into the national phase and provides the Patent Office with evidence by way of affidavit, statutory declaration or copies of documents effecting transfers or changes of names that the applicant is a legal representative of the inventor and copies of documents effecting transfers relevant to the applicant's entitlement to file the application (subsection 37(b) of the *Patent Rules*). No further documentation will be required by the Patent Office respecting ownership of the rights to the invention in this case, but the applicant will be requisitioned to register the necessary documentation in the Patent Office.
2. The applicant who originally filed the international application requests entry into the national phase but provides no documentation relating to ownership of the invention. In this case the Patent Office will advise the applicant by way of a courtesy letter that evidence meeting the requirements of section 37 of the *Patent Rules* as outlined above must be provided within 12 months of the date of national entry. If the ownership documentation is not provided within that time period, the Commissioner will requisition the applicant to submit such documentation, requiring registration of the documents and the registration fee within 3 months of the requisition. If the applicant fails to reply in good faith to this requisition the application becomes abandoned in accordance with section 97 of the *Patent Rules*. This three month time limit may be extended under

section 26 of the *Patent Rules*.

3. If the applicant entering the national phase is different from the applicant who filed the original international application, evidence that the applicant requesting national entry is the legal representative of the originally identified applicant must be provided (subsection 58(5) of the *Patent Rules*), if not already on file. Such evidence may be provided at the time of requesting national entry. If such evidence is not provided at that time, the Commissioner will requisition the necessary documents under section 25 of the *Patent Rules* which prescribes a three month time limit for compliance. The evidence required to satisfy subsection 58(5) of the *Patent Rules* must be provided to permit national entry. When this evidence is provided, the applicant will be accorded the national entry date on which the requirements of subsection 58(1) were satisfied. Although the form IB/306 is sufficient to satisfy the national entry requirement specified in subsection 58(5) of the *Patent Rules*, there will be a subsequent requirement to register the documents required by section 37 of the *Patent Rules*. The documents to be registered for that purpose must be such that the chain of title from the inventor to the present applicant is complete (sections 37, 38 and 39 of the *Patent Rules* and section 51 of the *Patent Act*).
4. In each of the situations outlined in 1, 2 or 3 above, the applicant will be notified by means of a courtesy letter of the action that must be taken to satisfy the Patent Office requirements concerning ownership.

6.05 Refusal of a joint inventor to proceed

When two or more persons jointly make an invention, all the inventors must join in applying for a patent and a patent is granted to them jointly. In case of disputes between joint applicants, Section 31 of the *Patent Act* applies, as follows:

- (A) A joint inventor who refuses to file an application for patent;

By virtue of Section 31(1) of the *Patent Act*, If an invention is made by two or more inventors, and if one refuses to apply for a patent or if his whereabouts cannot be ascertained, the other inventor(s) may apply for a patent, and a patent

may be granted in the names of those who apply, provided the Commissioner is satisfied that the joint inventor has refused to apply or cannot be found. Evidence to satisfy the Commissioner may be submitted by way of affidavit or statutory declaration.

- (B) A joint applicant who refuses to further proceed with the application;

In accordance with section 31(2) of the *Patent Act* if an applicant who agrees in writing to assign his rights to another person and subsequently refuses to proceed with the application, or if disputes arise between joint applicants with respect to proceeding with an application, the Commissioner may allow that other person or joint applicant to proceed alone. To satisfy the Commissioner that one or more of the applicants ought to be allowed to proceed alone, evidence by way of affidavit or statutory declaration may be provided. All persons interested are entitled to be heard before the Commissioner.

6.06 Correction of transfer documents

The Patent Office will not require correction of minor errors in transfers or minor discrepancies between the transfer document and the petition. For example, company's abbreviations are not questioned such as Co. for Company, Inc. for Incorporated or LTD for Limited.

Any transfer of ownership which has been registered in the Patent Office may be corrected under the provisions of section 8 of the *Patent Act*.

6.07 Certificate of registration

Upon registration of a transfer including mergers, amalgamations and consolidations, a certificate of registration is produced and identified by number. The documents submitted for registration are scanned and annexed to the corresponding application file. The certificate and the documents submitted are returned to the sender.

No certificate is produced for a change of name.

The Federal Court has jurisdiction, on the application of the Commissioner or of any person interested, to order that any entry in the records of the Patent Office relating to the title to a patent be varied or expunged (section 52 of the *Patent Act*).

6.08 Certified copies

Certified copies bearing the seal of the office may be obtained upon specific request and payment of the fee prescribed under item 26 of Schedule II of the *Patent Rules*. Certified copies of the certificate of registration or any document registered in Patent Office may be obtained in a similar manner.

6.09 Maintaining chain of title

In accordance with Rule 38 of *Patent Rules*, no transfer of a patent or application to a new owner is recognized by the Commissioner unless a copy of the document effecting the transfer from the currently recognized owner to the new owner has been registered in the Patent Office in respect of that patent or application.

6.10 Ownership rights

Once a transfer of ownership has been recorded, the application may not be withdrawn without the consent in writing of every currently recognized owner (subsection 49(2) of the *Patent Act*).

Revocation of the agent or representative and appointment of the new agent or representative has to be signed by the currently recognized owner or the patent agent currently of record (Section 20(3) of the *Patent Rules*).

6.11 Ownership information

The Patent Office maintains a register listing the names and addresses of all the owners of each application or patent. The ownership register may be consulted in the Public Search Room.