

Chapter 21

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Chapter 21

Final Action practice

21.01 Introduction

When the prosecution of a patent application has progressed to the point where the examiner has reasonable grounds to believe that the application does not comply with the *Patent Act* or the Rules in respect to one or more of the defects referred to in previous requisitions and that the applicant will not amend the application to comply with the *Patent Act* and the Rules, the examiner may reject the application in a Final Action. Section 30 of the *Patent Rules*, as it appears in Part 1 of the Regulations defines the final action requirements and applies to all pending applications regardless of their filing date.

21.02 The Final Action report

A final action is issued under the provisions of subsection 30(4) of the *Patent Rules* and the action must bear the notation "Final Action" or "Décision Finale".

The report must indicate the outstanding defects and must requisition the applicant to amend the application in order to comply with the *Patent Act* and the Rules or to provide arguments as to why the application does comply, within the six-month period after the requisition is made or within any shorter period established by the Commissioner in accordance with paragraph 73(1)(a) of the *Patent Rules*.

A final action is not written unless the examiner has made a previous requisition on the same grounds. If, in addition to the earlier objections, new objections on fresh grounds are being made, the action is not made final.

The report identifies which claims are allowable and indicates clearly what is objectionable in the application. If the rejection is based on prior art, the examiner will clearly indicate which claims are considered to lack novelty or are rendered obvious by the references cited in the action. The report deals with any differences between the claims and the teaching of the prior art and indicate why the invention claimed fails to

show any advance of an inventive nature over the applied art and common general knowledge in the art.

If the rejection is based on any other contravention of the *Patent Act* or Rules, the report clearly identifies the sections of the *Patent Act* and Rules which have been contravened and gives the reasons therefor.

The final action report must be comprehensive and deal with every grounds for which the application is considered to be defective. The appeal process is restricted to the particular issues discussed in the final action and there is no further opportunity for the examiner to make objections which may have been missed in the final action. Similarly there is no opportunity for the applicant to amend the application other than to make any revisions required by a Commissioner's decision on the patentability of the case.

All final actions are posted by registered mail.

21.03 Satisfactory Responses

Where in accordance with subsection 30(4) of the *Patent Rules* the applicant amends the application or provides arguments and the examiner has reasonable grounds to believe that the application complies with the *Patent Act* and the *Patent Rules*, the Commissioner notifies the applicant that the rejection is withdrawn and that the application has been found allowable (subsection 30(5) of the *Patent Rules*).

21.04 Unsatisfactory Responses

Where the rejection is not withdrawn pursuant to subsection 30(5) of the *Patent Rules* because the examiner is not satisfied that an amendment and/or argument submitted in the applicant's response is sufficient to overcome the rejection, the application is forwarded to the Patent Appeal Board (PAB) to be reviewed and the applicant is given the opportunity to be heard.

21.05 Patent Appeal Board

The Patent Appeal Board (PAB) consists of one or more senior members of the Patent Office who have not participated in the examination of the application under review. The Board reviews the grounds for rejection in final actions and holds hearings under section 30(6) of the *Patent Rules* when requested by applicants and advises the Commissioner on these matters.

21.06 Review by PAB

In any instance when the examiner decides that a response to a final action does not overcome the grounds of the action, in whole or in part, the application is forwarded to the PAB. The examiner prepares a summary of the reasons why the response does not overcome the rejection for the Board's consideration. The PAB informs the applicant that the application has been submitted for its consideration. The PAB advises the applicant that applicant may request a hearing to develop a fuller statement of the reasons for contending that the application is not open to objection on the grounds stated by the examiner. At this stage, the applicant is not entitled to submit further amendments to the application (section 31 of the *Patent Rules*) and must restrict any arguments to the issues raised in the final action and any amendment which was submitted to the examiner in response to that action. After reviewing the facts, the PAB presents its findings to the Commissioner.

21.07 Commissioner's Decision

The Commissioner reviews the findings of the PAB and if satisfied that:

- (a) there is no patentable subject matter in the application, will refuse the application under section 40 of the *Patent Act* and will inform the applicant of the reasons therefor;
- (b) the examiner's rejection was not justified, the application will be returned to the examiner for further prosecution (subsection 31(b) of the *Patent Rules*, or

- (c) certain amendments are necessary for compliance with the *Patent Act* or the *Patent Rules*, the applicant will be informed of the required amendments and the reasons therefor and will be given a three month period to effect the changes. Should the applicant not amend the application accordingly it will be refused under section 40 of the *Patent Act*.

The Commissioner's decision will provide the reasons why he arrived at that particular decision and will justify his findings with respect to the *Patent Act*, *Patent Rules* and pertinent jurisprudence. Such decisions form Patent Office policy and provide precedence for the guidance of applicants and patent examiners. The original signed copy of the decision is sent by registered mail to the applicant or agent. A Commissioner's decision becomes part of the prosecution file and therefore is open to public inspection. Commissioner's decisions (CD), grouped according to the grounds of objection in the Final Action, are available in the Patent Office. A notice of every CD will be published in the CPOR along with a summary except for applications filed prior to October 1, 1989 that were subsequently refused by the Commissioner. Such CD's may be published with the permission of the applicant.

21.08 Amendments subsequent to a Final Action

A rejected application may not be amended after the expiry of the time for responding to the examiner's requisition made pursuant to subsection 30(4) of the *Patent Rules* except

- (a) where the rejection is withdrawn in accordance with subsection 30(5) of the *Patent Rules*;
- (b) where the Commissioner is satisfied after review that the rejection is not justified and the applicant has been so informed; or
- (c) where the Commissioner has informed the applicant that the amendment is necessary for compliance with the *Patent Act* or the Rules; or
- (d) by order of the Federal Court or the Supreme Court of Canada.

In the case of (a) above, where the examiner withdraws the final action under subsection 30(5) of the *Patent Rules*, the normal prosecution resumes and the application is allowed by the examiner, the grounds for rejection having been overcome. Any further amendment of the application by the applicant must take the form of an amendment after allowance and is subject to the conditions set forth for such amendments in 19.08.06 of this Manual.

In the case of (b) above, where the Commissioner is satisfied that the rejection was not justified, the applicant is so notified and the application is returned to the examiner and normal prosecution resumes. The application is normally allowed at this stage but may be amended voluntarily by the applicant (subsection 31(b) of the *Patent Rules*).

In the case of (c) above, where the Commissioner has informed the applicant that an amendment of the application is necessary for compliance with the *Patent Act* or the *Patent Rules*, the applicant must make the amendment required by the Commissioner but no further amendment will be accepted (subsection 31(c) of the *Patent Rules*).

In the case of (d) above where the applicant has appealed a Commissioner's refusal of an application under section 40 of the *Patent Act* to the Federal Court or the Supreme Court of Canada, the application may be amended in accordance with the decisions of those Courts (subsection 31(d) of the *Patent Rules*).

21.09 Appeals

If the Commissioner refuses an application under section 40 of the *Patent Act*, the applicant in accordance with section 41 of the *Patent Act*, may appeal the refusal to the Federal Court Trial Division. The Federal Court Trial Division may in turn, be appealed to the Federal Court of Appeal and, with leave, the Supreme Court of Canada.

Whenever an appeal to the Federal Court is lodged, the applicant must serve Notice of Appeal on the Commissioner. The original Notice is placed in the Patent Office file of the application. Since the Federal Court Trial Division's decision may be further appealed, no further action is taken in the Patent Office until it has been verified that the appeal process has been terminated.

21.10 Prosecution after Court proceedings

The examiner takes action in accordance with the final judgment of the courts.