

### THIRD PARTIES WHO ARE NOT PATENT AGENTS CANNOT FILE AND PROSECUTE PATENT APPLICATIONS ON ANOTHER'S BEHALF

In *Kirouac-Couture v. ERL Étude et recherche Inc.*,<sup>1</sup> the Court of Québec (Small Claims Division) reminded everyone just how highly specialized patent agents are and explained the limitations placed on the interventions of third parties not entered on the register of patent agents (the “Register”) when it comes to preparing and prosecuting patent applications for another.

Ms. Audrey Lavoie (“Lavoie”), who knew that such technology existed in Europe, was considering launching software in Quebec that would suggest which foods to pair with which beverages (the “Software”). She partnered up with the applicant, Mr. David Kirouac-Couture (“Couture”) to that end. In July 2012, Lavoie and Couture met with defendant *ERL Étude et recherche Inc.* (“ERL”), a corporation that helps inventors prepare patent applications. None of the engineers working for ERL is entered on the Register, and ERL therefore cannot file a patent application before the Canadian Intellectual Property Office (“CIPO”).

The parties agreed that ERL would prepare the Software’s patent application, and they communicated amongst themselves in the week after the patent application was drafted. Lavoie, however, was worried about having to personally sign the patent application, since she believed that ERL would be signing it on her behalf. She also noted that the patent application did not really meet her needs.

A few weeks later, Lavoie and Couture met with a patent agent entered on the Register, who told them that the patent application prepared by ERL would necessarily be refused if it was filed, seeing as the software had no element of novelty and was not a patentable matter within the meaning of the *Patent Act*.<sup>2</sup> The applicant therefore demanded that the amounts already disbursed for the services of ERL be reimbursed, to which ERL objected.

In its decision, the Court reviewed the limitations that are placed on interventions that may be carried out by third parties who are not entered on the Register when preparing and prosecuting patent applications for another. While unregistered third parties may assist inventors with searches and the preparation of a patent application, they cannot act before the CIPO on the inventors’ behalf. The inventors must therefore sign the patent application themselves.<sup>3</sup>

The Court also explained that a service provider involved in the preparation and prosecution of patent applications for another was bound by numerous obligations under Québec legislation.<sup>4</sup> More specifically, they must clearly explain to inventors what their interventions are limited to and the fact that they cannot file a patent application on the inventors’ behalf.<sup>5</sup> Unregistered third

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<sup>1</sup> 2014 QCCQ 1405, hereinafter “decision”;

<sup>2</sup> R.S.C. (1985), c. P-4, hereinafter “Act”;

<sup>3</sup> Section 15 of the *Act*;

<sup>4</sup> While not specifically mentioned in the judgment, both duly registered patent agents and unregistered third parties would qualify as a “service provider” under Quebec legislation;

<sup>5</sup> This type of situation is less likely to occur when the applicant is a legal person or an individual other than the inventor since, in such a case, a patent application must necessarily be filed by a registered patent agent. Section 20 of the *Patent Rules* (DORS/96-423);

parties must also let inventors know what their real chances of obtaining a patent are.<sup>6</sup> In the case at bar, ERL failed to meet these obligations: “[TRANSLATION] “*ERL’s failure to disclose information is tantamount to deceit that vitiates M<sup>re</sup> Couture’s consent to the service agreement*”.”<sup>7</sup> ERL, having failed to honor its obligations, was required to reimburse the amount paid by the applicant for the preparation and filing of the patent application.

In order to avoid these types of situations, it is recommended that a patent agent be retained who is entered on the Register in order to prepare and prosecute patent applications. As the Court indicated, citing the CIPO:<sup>8</sup>

Preparing and prosecuting (following through on) a patent application is a complex job. Prosecution involves corresponding with the Patent Office, making any necessary changes to the application and fixing the legal scope of the patent protection. All this requires a broad knowledge of patent law and Patent Office practice — knowledge you can expect from a registered patent agent.<sup>9</sup>

The list of registered patent agents is available at <http://www.ic.gc.ca/cipo/pabr/agents.nsf/pagents-eng?readform>

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<sup>6</sup> Paragraphs [29] and [38] of the decision;

<sup>7</sup> Paragraph [39] of the decision, articles 1399 and 1401 of the *Civil Code of Québec*, S.Q., 1991, c. 64;

<sup>8</sup> Paragraph [25] of the decision;

<sup>9</sup> Canadian Intellectual Property Office, A Guide to Patents, Government of Canada, on line: [http://www.cipo.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/h\\_wr03652.html](http://www.cipo.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/h_wr03652.html) (consulted April 14, 2014).