

**CIPO Update**

**by**

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Check Against Delivery

## **Introduction**

Good morning, and thank you for the warm introduction.

The Canadian Intellectual Property Office (CIPO) is pleased to work closely with the Intellectual Property Institute of Canada (IPIC) members, and your annual meeting is always a great opportunity to share our respective goals and activities. From CIPO's perspective, our vision is one of a thriving, innovative Canada—a Canada in which intellectual property (IP) plays an active role in the economy.

You may recall that last year, I spoke to you about the Government's Innovation Agenda, CIPO's progress and priorities on the international front, our performance and service improvements, and how these developments would shape the development of our Five-Year Business Strategy from 2017 to 2022.

I would like to highlight for you our new Five-Year Business Strategy, in particular our priorities and activities for the coming year.

## **Innovation and Skills Plan and the importance of intellectual property**

Let me start with the Government of Canada's Innovation and Skills Plan, which was announced in Budget 2017. It included a new Strategic Innovation Fund, funding for the Innovation Superclusters initiative and a focus on simpler, more coordinated access to business innovation programs.

Of particular interest to IPIC members is the Government's commitment to develop a national IP strategy, which will help ensure that our IP regime is modern and robust and supports Canadian innovation in the 21st century. An important objective of the IP strategy will be to increase IP awareness among Canadian business and innovators, and I will discuss CIPO's work in that regard later.

IP is the currency of the knowledge economy. It is critical to innovative businesses as they scale up and grow.

IP policy in OECD countries has changed to match this evolution, as it now focuses more on fostering the use of IP, encouraging innovation and enhancing the dissemination of knowledge.

In Canada, the contribution of IP-intensive industries to our GDP is estimated at 25.1%, totalling \$332 billion.<sup>1</sup>

Canadian SMEs that hold formal IP are<sup>2</sup>:

- 4 times more likely to export
- 64% more likely to be high-growth
- 32% more likely to seek financing

So it is clear that high levels of IP literacy, along with strong IP strategies, are critical to innovation and economic growth.

### **CIPO's Five-Year Business Strategy (2017–2022)**

In developing our Five-Year Business Strategy, we had in mind how CIPO can contribute to making Canada a global centre of innovation.

Over the past year we consulted with a range of stakeholders in Canada and abroad, including IPIC. We recently unveiled a new Business Strategy with five strategic priorities that will shape our activities from 2017 to 2022.

The five priorities of CIPO's Five-Year Business Strategy are:

- to help advance innovation through a modern IP framework and active international collaboration;
- to deliver quality and timely IP rights based on modern, efficient and quality-based services and processes;
- to provide innovators in Canada with the IP knowledge they need to succeed;
- to offer a modern service experience through e-enabled services and a strong customer focus; and
- to foster an agile and high-performing organization.

Let me explain briefly each of the five priorities, and some of the activities we will undertake, particularly over the next year.

I was also pleased to see that IPIC has just finalized its own strategic plan with many similar objectives that are complementary to CIPO's direction and the Government's priorities on innovation.

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<sup>1</sup> Industry Canada, 2013

<sup>2</sup> Statistics Canada Survey on Financing and Growth of Small and Medium Enterprises, 2014

## I. ***Advance innovation***

We have two main objectives: to continue to modernize Canada's IP framework to drive innovation; and to promote international harmonization.

Internationally, Canada is an active participant at the World Intellectual Property Organization (WIPO). We work to advance a host of issues relating to international harmonization and the standardization of rules so that the international IP system can become more seamless and better serve the needs of businesses which already operate in a global economy.

I have just returned from the WIPO General Assemblies in Geneva, where we spoke to our international partners about innovation, their IP strategies and IP education, as well as ways to improve quality in the granting of IP rights. Some of these issues will take time to resolve, but it is important that CIPO be actively engaged to advance Canada's interests abroad.

### ***Accession to five international treaties***

Let me give you an update on our work to join five major IP treaties by early 2019. They are the **Patent Law Treaty**, the **Madrid Protocol**, the **Singapore Treaty**, the **Nice Agreement**, and the **Hague Agreement**.

In early 2017, we completed the process required under the *User Fees Act* for our proposed fee changes, which included public consultations and a parliamentary review of the fee proposals. Our proposals were tabled in both the Senate and the House of Commons in November 2016 and, following a review by the Senate Committee on Banking, Trade and Commerce, were formally passed in February 2017.

Over the spring and summer, we conducted technical reviews and pre-consultations on the proposed regulatory amendments to the *Trade-marks Regulations*, the *Industrial Design Regulations* and the *Patent Rules*. IPIC was actively engaged. For example, IPIC hosted a number of information sessions on the proposed changes to the *Trade-marks Regulations*. I want to thank you for hosting these sessions and for providing such constructive comments on all three proposed regulations.

We are now preparing the regulations and rules for public consultations in Gazette 1 later this fall. We are also working on the tools needed for implementation by early 2019—the development of office practices, training of employees and updates to our IT systems.

### ***Canada-European Union Comprehensive Economic and Trade Agreement***

The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) came into force on September 21.

Under CETA, Canada is expanding its geographical indication system, which currently includes wines and spirits, to include agricultural products and food. Our country agreed to the addition of 172 EU geographical indications to the list of protected GIs. In expanding Canada's geographical indications system, exceptions have been created to protect Canadian brand owners who can show prior use or registration of their trademarks and for those terms that are considered generic, as well as exceptions to allow for the continuation of historic uses in specific circumstances. CIPO now has processes in place to accept applications, as well as deal with objection proceedings, for these new types of geographical indications.

## **II. Deliver quality and timely IP rights**

We continue to focus on the quality and timeliness of the IP rights we deliver.

We are very proud of the fact that in June 2017, CIPO's Patent Branch was awarded the International Organization for Standardization (ISO) 9001:2015 certification.

Achieving this certification positions Canada as a global player in the delivery of high-quality patents. Our office joins international partners such as the United States Patent and Trademarks Office (USPTO), IP Australia and the European Patent Office (EPO) in holding this important designation.

A key component of our Five-Year Business Strategy is to implement an organization-wide quality management system for all our lines of business, and we will be consulting with our clients in this regard.

### ***Improving turnaround times***

We continue our efforts to reduce turnaround times and to implement changes that will improve the efficiency of our systems.

We continue to improve turnaround times. For patents, the average time between a customer's request for examination and the receipt of the patent right was reduced by two months to an annual average of 37 months in 2016–2017. By March 2017, we achieved a monthly average patent turnaround time of 34.6 months.

In 2016–2017, CIPO reduced its average trademark turnaround time from filing to registration by one month to 26.5 months.

In 2016–2017, CIPO lowered the turnaround time from filing to registration of an industrial design application to just under 10 months.

We are testing new approaches to reduce turnaround times. For example, over the past year the Patent Branch piloted an examination interview service to expedite the application process in instances where only minor defects are identified and prosecution is likely.

We received very positive feedback from the agents who participated in the pilot, and based on this success, we made this service a permanent feature in June 2017.

### **III. Build IP awareness and education**

We know that in Canada, small and medium-sized enterprises (SMEs) have low awareness of IP, which can inhibit business growth and global competitiveness. Only 10% of Canadian SMEs hold formal IP, and only 9% of innovative companies have an IP strategy.

Part of CIPO's mandate is to improve awareness of IP in Canada. Over the past year, we have been rolling out a new IP awareness and education program to reach businesses, innovators and other key players in the innovation ecosystem in Canada.

Our program has three main components: **IP for Business**, **IP Academy**, and **IP Hub**.

**IP for Business:** This is a series of products and services to provide businesses with the tools and information they need to acquire, manage and leverage their IP assets.

This past year, we launched an interactive IP game in partnership with the Business Development Bank of Canada. It is an informative and fun tool that helps businesses learn about IP and how it can help them grow.

Soon, we will be launching on our website three new "pathfinder" tools for those applying for trademarks, patents and industrial designs. These tools will map the process the application would follow, from initial application to registration.

Some of you may have also seen our IP toolkit. I want to thank IPIC members who took part in focus testing this new product. We plan to launch it next week on our website during Small Business Week, and we have printed versions that we would be happy to provide for your use.

As the year progresses, we will be rolling out new IP videos that will cover topics such as licensing and franchising, infringement, and doing business abroad. We just published our first IP guide for businesses: "Doing business abroad—China".

The second component of our program is our new **IP Academy**. We have started to roll out a series of seminars and webinars.

Many of you have been a part of the Bank of Speakers, which has become an important foundation for our new IP Academy. We hope to expand the scope of our partnership with IPIC to include the development of case studies and more.

Since May 2017, we have held more than 20 IP seminars throughout the country, and four webinars, with more than 500 participants. Topics so far have included “Foundations of IP”, “IP Strategy” and “Protecting your IP in China”. We are planning to offer 40 more seminars over the next six months, so watch our website!

The third area is **IP Hub**.

This is still at the concept stage. We hope to create a virtual network of information and services to better connect business and innovators with IP services in the marketplace. We would like to include as many partners as possible, including IPIC, so we would be happy to discuss this with you in the coming months.

#### **IV. Modern service experience**

We have developed a new Service Strategy that will guide us in improving our services. This Strategy was inspired by comments and interactions with our clients.

We are pleased with the positive feedback we have received on the improvements to our website this past year, including a modernized Canadian trademarks database and online access to Trademarks Opposition Board decisions.

Over the coming years, in addition to new IT solutions allowing us to accede to the IP treaties, we will continue to make improvements to our online services.

#### **V. An agile and high-performing organization**

The fifth priority of our Business Strategy is a high-performing organization and, most of all, a highly trained workforce.

You may have noticed that we started a recruitment campaign to hire 65 patent examiners over the next three years. If you know anyone that would like to join our team, please encourage them to apply!

#### **Concluding remarks**

In conclusion, CIPO aims to be known as a modern, internationally-leading IP office, one that provides high-quality and timely rights and that serves its clients well.

We want to be a trusted source of IP information and knowledge for Canadian businesses and innovators. And we want to work in partnership with others, including IPIC and IP agents, to help make Canada a global centre of innovation.

Thank you.