

JULY 19, 2006 - DRAFT

An Act to regulate Patent Agents and Trade-mark Agents and to establish a College to govern Patent Agents and Trade-mark Agents in Canada

Patent Agents and Trade-mark Agents Act

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

SHORT TITLE

Short title

1. This Act may be cited as the *Patent Agents and Trade-mark Agents Act*.

INTERPRETATION

Definitions

2. The definitions in this section apply in this Act

“Board of Governors” means the governing body of the College as established in section 13;

“by-laws” means the by-laws of the College created under this Act as in effect from time to time;

“Code of Ethics” means the code of ethics adopted by the College as in effect from time to time;

“College” means the Canadian College of Patent Agents and Trade-mark Agents as established in section 5 of this Act;

“member” has the meaning ascribed to it in sections 23 and 24 of this Act;

“Minister” means the Minister of Industry or such other member of the Queen’s Privy Council for Canada as is designated by the Governor in Council as the Minister for the purposes of this Act;

“Patent Agent” means a person whose name is entered on the Register referred to in section 19;

“Patent Agent in Training” means a person who is training to become qualified as a Patent Agent and who has been enrolled as a Patent Agent in Training in accordance with the by-laws;

“professional organization” means any association governing barristers and solicitors or notaries in a province or territory of Canada, or any association of professionals that has bilateral status with the college as described in the by-laws;

“Register of Patent Agents” means the Register described in section 19;

“Register of Trade-mark Agents” means the Register described in section 20;

“Trade-mark Agent” means a person whose name is entered on the Register referred to in section 20;

“Trade-mark Agent in Training” means a person who is training to become qualified as a Trade-mark Agent and who has been enrolled as a Trade-mark Agent in Training in accordance with the by-laws.

PURPOSE

Purpose

3. The purpose of this Act is to regulate Patent Agents, Patent Agents in Training, Trade-mark Agents and Trade-mark Agents in Training to ensure that the public interest shall be served and protected, and to establish a College that will govern Patent Agents, Patent Agents in Training, Trade-mark Agents and Trade-mark Agents in Training in Canada.

HER MAJESTY

Binding on Her Majesty

4. This Act is binding on Her Majesty in right of Canada or a province.

THE COLLEGE

College established

5. The College is established under the name Canadian College of Patent Agents and Trade-mark Agents.

Status

6. The College is a not-for-profit corporation without share capital consisting of a Board of Governors and members.

Objects of the College

7. The College has the following objects:

- (a) to establish, promote, and maintain high standards of competence and conduct within the patent agent and trade-mark agent professions, in particular as they relate to:
 - (i) education;
 - (ii) qualification;
 - (iii) practice; and
 - (iv) professional ethics and discipline;
- (b) to promote public awareness of the role of the College and the role of Patent Agents and Trade-mark Agents in Canada; and
- (c) to perform the duties and exercise the powers that are imposed or conferred on the College by this Act.

Powers of the Minister

8. *To be supplied by CIPO.*

College not agent of Her Majesty

9. The College is not an agent of Her Majesty in right of Canada.

Head Office

10. The head office of the College shall be located in Canada at the place stated in the by-laws.

Annual meeting

11. (1) The College shall hold an annual general meeting of members within six months after the end of its fiscal year at a time and place within Canada designated by the Board of Governors, notice of which shall be given by publication as provided in the by-laws.

Other meetings

(2) The College may hold other special meetings as considered necessary by the Board of Governors or the members, notice of which shall be given by publication as provided in the by-laws.

Powers of the College

12. The College has the following powers:

- (a) to establish and apply requirements relating to admission and maintenance on the Registers and discipline of Patent Agents and Trade-mark Agents
- (b) to register, renew, amend, suspend, cancel, revoke and reinstate the registration of Patent Agents and Trade-mark Agents;
- (c) to evaluate and accredit continuing education courses in the fields of patent and trade-mark law and practice;
- (d) to establish and apply requirements relating to registration, discipline and training of Patent Agents in Training and Trade-mark Agents in Training
- (e) to set standards for continuing education requirements;
- (f) to accredit suppliers of education in the field of patent and trade-mark law and practice;
- (g) to establish, maintain and apply a Code of Ethics for its members;
- (h) to establish and apply disciplinary by-laws and sanctions;
- (i) to establish and apply rules of practice and procedure applicable to proceedings before the disciplinary and appeal panels established in section 29;

- (j) to borrow money;
- (k) to set and collect fees and other revenues;
- (l) to establish and maintain a client compensation fund;
- (m) to hold and manage funds in trust; and
- (n) to take any other action to achieve the objects of the College.

GOVERNANCE

Board of Governors

13. The Board of Governors shall manage the business and affairs of the College.

Structure

14. The Board of Governors shall consist of as many as twelve governors:
- (a) two persons who are not members of the College and who shall be appointed by the Minister;
 - (b) seven persons who are members of the College and who shall be elected by members of College pursuant to the bylaws;
 - (c) as many as two persons who may be appointed by the Board of Governors; and
 - (d) the Executive Director who is an *ex officio* governor and shall not have voting privileges on the Board of Governors.

Executive

15. (1) The Board of Governors shall have an executive consisting of the President, Vice-President and Secretary/Treasurer.

Same

(2) The executive shall be appointed or elected from the seven elected governors in accordance with the bylaws.

Annual Report

16. The Board of Governors shall prepare an Annual Report to members on the activities of the college, and shall provide a copy to the Minister.

Remuneration

17. Deleted

Executive Director

18. The Board of Governors shall appoint an Executive Director of the College and may hire other staff to carry out the purposes of this Act.

Maintenance of Register: Patent Agents

19. (1) The Register of Patent Agents shall be kept by the College on which shall be entered the names of all persons who meet the requirements for admission and maintenance on the Register established in the regulations.

(2) The Executive Director of the College shall maintain the Register of Patent Agents.

Maintenance of Register: Trade-mark Agents

20. (1) A Register of Trade-mark Agents shall be kept by the College on which shall be entered the names of all persons who meet the requirements for admission and maintenance on the Register established in the regulations.

(2) The Executive Director of the College shall maintain the Register of Trade-mark Agents.

Right to inspect Registers

21. Every one has the right to consult the Register of Patent Agents and the Register of Trade-mark Agents during normal business hours.

COMMITTEES

Committees

22. The Board of Governors may establish committees to further the objects of the College and perform any other business or function determined by the Board of Governors.

ADMISSION OF MEMBERS

Members

23. Every Patent Agent and Trade-mark Agent is a member of the College entitled to vote.

Agents in training

24. A Patent Agent in Training and a Trade-mark Agent in Training is a non-voting member of the College.

MAINTENANCE ON THE REGISTERS

General requirements

25. The Board of Governors shall, as permitted by regulation, determine the requirements for entry and maintenance of individuals on the Register of Patent Agents and the Register of Trade-mark Agents.

ASSOCIATIONS

25.1. A member of the College may form, together with other members of the College or members of another profession recognized in Canada or one of its provinces or territories, a Limited Liability Partnership, corporation, professional corporation or other entity as permitted by law.

PROHIBITIONS AND OFFENCES

Unauthorized use of title

26. (1) No person other than a person on the Register of Patent Agents shall use the title "patent agent" and no person other than a person on the Register of Trade-mark Agents shall use the title "trade-mark agent."

Same

(2) No person other than a Patent Agent or a Trade-mark Agent shall use a name, title, addition or description from which it would be reasonable to infer that such a person is a Patent Agent or a Trade-mark Agent.

Offence

(3) Every person who contravenes subsection (1) or (2) above is guilty of an offence and on conviction is liable to a fine of not more than \$25,000 for a first offence and not more than \$50,000 for a subsequent offence.

Injunctive relief

27. (1) The College may apply to a provincial or territorial court or to the Federal Court of Canada to seek injunctive relief to prevent a person from continuing to hold himself or herself out, or to permit himself or herself to be held out, as a member of the College or as being a Patent Agent or a Trade-mark Agent

- (a) who has been convicted under section 26, or
- who the court is satisfied is contravening or has contravened section 26.

Variance

(2) Any person may apply to a provincial or territorial court or to the Federal Court of Canada for an order varying or discharging an order made under subsection (1).

DISCIPLINE

Code of Ethics

28. (1) deleted.

Agents and agents in training bound

(2) Any member who breaches the Act, Regulations, Code of Ethics or the by-laws of the College is subject to disciplinary proceedings under this Act and relevant regulations and by-laws thereunder.

Discipline

29. (1) The Board of Governors shall, by by-law, establish procedures for the discipline of members and for the appointment of disciplinary and appeal panels.

Disciplinary panel established

(2) A disciplinary panel shall hear complaints and assess sanctions where applicable against members with respect to breaches of the Code.

Appeal

(3) Any party to a decision of the disciplinary panel may appeal to an appeal panel.

Appeal panel appointed

(4) Where a party described in subsection (3) wishes to appeal a decision of the disciplinary panel which that party has a right to appeal under the by-laws, the party shall give notice to the Executive Director, who shall notify the Board of Governors of the appeal, and then the Board of Governors shall appoint an appeal panel to hear the appeal.

Decision binding

(5) Decisions of the disciplinary panel are binding on the parties unless overturned by an appeal panel, or reversed in part by an appeal panel, in which case the decisions are not binding to the extent of the partial reversal. Decisions of the appeal panel are binding.

(6) The Professional Conduct Committee and the Disciplinary Panel have the power to subpoena witnesses.

Jurisdiction

30. Deleted.

INDEMNIFICATION

Fund established

31. (1) The College shall establish and maintain a fund for client compensation (the "Fund") in accordance with the by-laws.

Rules and procedures

(2) The Board of Governors in its absolute discretion may make grants from the Fund in order to relieve or mitigate loss sustained by any person in consequence of dishonesty on the part of any member in connection with such member's practice or in connection with any trust which is related to such member's practice of patent agency or trade-mark agency of which the member is or was a trustee, notwithstanding that after the commission of the act of dishonesty the member may have died or may have ceased to administer the client's affairs or to be a member.

PROFESSIONAL LIABILITY INSURANCE

Liability insurance required

32. (1) Subject to subsection (2) every member of the College who practices as a Patent Agent or as a Trade-mark Agent must carry professional liability insurance for providing services that are within the practice of patent agency or the practice of trade-mark agency, as may be the case.

Exceptions

(2) Subsection (1) does not apply to a member of the College who is a class of persons prescribed by the regulations for the purpose of exemption.

IMMUNITY

Immunity

33. No action or other proceedings for damages shall be instituted against the College, the Board of Governors or any member of the Board of Governors, a committee of the College, a member of the College, a member of a committee of the College or an officer, employee, agent or appointee of the College for any act done in the performance of any duty, or the exercise of any power, in good faith, under this Act or the regulations or by-laws enacted thereunder or for any neglect or default in the performance of any duty, or the exercise of any power, in good faith, under this Act or the regulations or by-laws enacted thereunder.

Costs

34. No costs in connection with or arising from any proceeding authorized by this Act or regulations or by-laws enacted under this Act shall be awarded against or payable by the College, the Professional Conduct Committee, or officials of the College for any such proceeding brought and prosecuted in good faith in the performance of any duty or intended performance of any duty or in the exercise of any power under this Act or regulations or by-laws enacted under this Act.

CONFIDENTIAL COMMUNICATIONS

Confidential communications

35. (1) Subject to subsection (2), a communication, and its content, between a Patent Agent or a Trade-mark Agent and that agent's client or by a Patent Agent or a Trade-mark Agent on behalf of that agent's client is to be considered confidential and shall not be required to be disclosed by the agent or client, and they shall not be required to give evidence on the communication in legal or administrative proceedings involving the infringement, validity, use, or ownership of any intellectual property right that was the subject of any such communication, whether or not such proceedings were contemplated at the time of the communication.

Scope

(2) Communications to which subsection (1) applies are any oral, written, or electronic communications between a Patent Agent or a Trade-mark Agent and that agent's client or any person acting on behalf of the client or by a Patent Agent or a Trade-mark Agent on behalf of that agent's client in respect of intellectual property matters arising within the scope of services provided by the agent, and include any record or document made for the purposes of, or relating to, such communication.

Evidence in hearing

36. Evidence that is adduced or disclosed in a hearing before the disciplinary panel under this Act may not be used against the member against whom a complaint was filed before any court of justice in any other proceedings.

REGULATIONS

Regulations

37. Subject to the approval of the Governor in Council, the Board of Governors may make regulations respecting

- (a) the entry, maintenance, and removal of names from the registry of patent agents;
- (b) the entry, maintenance, and removal of names from the registry of trade-mark agents;
- (c) standards for examinations for patent agents and trade-mark agents;
- (d) the administration of examinations for patent agents and trade-mark agents;
- (e) requirements for proof of insurance;
- (f) exemptions from insurance requirement;
- (g) discipline of members;
- (h) committees;
- (i) the transition procedures for persons having begun their training before the coming into force of the Act;
- (j) the duties of the Board of Governors;
- (k) the conditions for creating the legal entities under which members can operate.

BY-LAWS

By-laws

38. (1) The Board of Governors may make bylaws respecting any matter necessary to carry on the objects of the College, including by-laws regarding any matter for which bylaws are required by this Act.

Same

- (2) Without limiting the generality of the foregoing, the Board of Governors may make by-laws respecting
- (a) a code of professional conduct and ethics;
 - (b) the composition of, the mechanism of the appointment of members of, and the powers, duties, and procedures of and ancillary to any committee or panel created under this Act;
 - (c) notice of general meetings
 - (d) practice and procedure of and before committees and panels created under this Act;
 - (e) powers of panels created under this Act, provided such by-laws do not conflict with a statute of Canada;
 - (f) quorums for committees created under this Act;
 - (g) duties of officers of the College;
 - (h) procedure for the creation, amendment, and revocation of by-laws;
 - (i) the reporting and publication of deliberations of the College, the Board of Governors, committees, and panels;
 - (j) any matter ancillary to this Act respecting the issuance, renewal, suspension, cancellation, revocation, and reinstatement of registrations of patent agents and trade-mark agents;
 - (k) obligations on members to cooperate or assist in an investigation or inquiry;
 - (l) penalties for members for failure to cooperate or assist in an investigation or inquiry contrary to the requirements of the by-laws;
 - (m) procedures for the discipline of members;
 - (n) penalties;
 - (o) terms and conditions of members of the College carrying on their professional activities within a limited liability partnership;
 - (p) requirements for continuing education of members;
 - (q) procedures for the examinations;
 - (r) insurance requirements;
 - (s) fees;
 - (t) procedures for the indemnification fund.

Date of effect

(3) A by-law is effective when it is passed by the Board of Governors but expires with the close of the next annual meeting of members of the College held after its passing, unless it is confirmed by the meeting.

Copies

- (4) A copy of the by-laws made under this Act and amendments thereto
- (a) shall be forwarded to the Minister;
 - (b) shall be forwarded to each member; and
 - (c) shall be available for public inspection in the head office of the College.

TRANSITIONAL PROVISIONS

Continuance

39. Every person listed, according to section 15(a) of the Patent Rules as it read immediately before the day this Act comes into force, on the register of Patent Agents kept by the Patent Office on the day this Act comes into force shall be listed on the Register of Patent Agents of the College and shall be a member of the College.

Same

40. Every person listed, according to sections 21(a) and 21(b) of the Trade-marks Regulations as they read immediately before the day this Act comes into force, on the list of Trade-mark Agents kept by the Trade-marks Office on the day this Act comes into force shall be listed on the Register of Trade-mark Agents of the College and shall be a member of the College.

Agents in training

40.1 (1) Every person who has completed one or more examinations leading to qualification as a Patent Agent or a Trade-mark Agent on the date this Act comes into force may continue to complete the qualifying exams pursuant to the rules extant prior to this Act, for a period of five years.

Same

(2) A person to whom subsection (1) applies who does not complete the qualifying exams within the five-year period following the date this Act comes into force shall be required to fulfill the qualifications to become a Patent Agent or a Trade-mark Agent pursuant to this Act.

CONSEQUENTIAL AMENDMENTS

The following statutes and regulations will require amendments. These amendments are explained in a separate document.

Patent Act R.S. 1985, c. P-4

Patent Rules SOR/96-423

Trade-marks Act R.S. 1985, c. T-13

Trade-marks Regulations (1996) SOR/96-195

ENTRY INTO FORCE

Entry into force

52. This Act or any provision of this Act comes into force on a day or days to be fixed by order of the Governor in Council.

REVIEW

Mandatory review

53. This Act shall be reviewed three years after it comes into force.