

JULY 15 2005

- *DRAFT* -

An Act to regulate patent agents and trade-mark agents and to establish a college to govern 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

“agent” other than in section 9 means a registered patent agent or a registered trade-mark agent within the meaning of 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;

“CIPO” means the Canadian Intellectual Property Office;

“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 created by 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;

“non-resident” means a person resident in a country other than Canada;

“patent agent” or “registered patent agent” means a person whose name is entered on the register referred to in section 19;

“patent office” means the patent office as defined in the Patent Act;

“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” or “registered trade-mark agent” means a person whose name is entered on the register referred to in section 20;

“resident” means a person resident in Canada within meaning of Income Tax Act;

“trade-marks office” means the trade-marks office as defined in the Trade-marks Act;

“trainee” means a person who is training to become qualified as a registered patent agent or registered trade-mark agent and who has been enrolled as a trainee in accordance with the by-laws.

PURPOSE

Purpose

3. The purpose of this Act is to regulate patent agents and trade-mark agents and trainees to ensure that the public interest shall be served and protected, and to establish a College that will govern the patent agents, trade-mark agents and trainees in Canada.

HER MAJESTY

JULY 15 2005

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 The 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; and
- (b) to promote public awareness of the role of the College and the role of patent agents and trade-mark agents in Canada.

Powers of the Minister

8. The Minister may take such measures as the Minister considers appropriate to fulfill any object of the College that, in the Minister's opinion, is not being fulfilled.

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, maintenance on the registers and discipline of agents entitled to practice before the Trade-mark Office and/or the Patent Office;
- (b) to issue, renew, amend, suspend, cancel, revoke and reinstate the registration of resident and non-resident agents;
- (c) to evaluate and accredit continuing education courses in the fields of patent and trade-mark law and practice;
- (d) to set standards for continuing education requirements;
- (e) to establish and apply standards for training of agents;
- (f) to accredit suppliers of education in the field of patent and trade-mark law and practice;
- (g) to establish a Code of Ethics for its members and distribute it according to the by-laws;

JULY 15 2005

- (h) to establish and apply disciplinary by-laws;
- (i) to establish and apply rules of practice and procedure applicable to proceedings before the Disciplinary and Appeal Tribunals established in section 29;
- (j) to borrow money;
- (k) to collect fees and other revenues from agents and trainees;
- (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.

Report to Minister

16. The Board of Governors shall provide to the Minister a copy of the Annual Report of the College.

Remuneration

17. The Board of Governors shall serve without remuneration, but such governors who are elected by the College or appointed by the Board of Governors are entitled to compensation from the College for expenses incurred in carrying out the functions of the Board.

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) A 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 registration established in the regulations.

Definition of Register of Patent Agents

(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 registration established in the regulations.

JULY 15 2005

Definition of Register of Trade-mark Agents

(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 inspect the register of patent agents and the register of trade-mark agents during normal business hours.

COMMITTEES

Committees

22. The Board of Governors may appoint 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 resident registered agent in good standing is a member of the College.

Trainees

24. A trainee in good standing 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.

PROHIBITIONS AND OFFENCES

Unauthorized use of title

26. (1) No person other than a registered patent agent shall use the title "registered patent agent" or "patent agent" and no person other than a registered trade-mark agent shall use the title "registered trade-mark agent" or "trade-mark agent."

Same

(2) No person other than an agent shall use a name, title, addition or description on the basis of which it would be reasonable to infer that such a person is an agent, or is recognized by law as a person entitled to practice as an agent in Canada.

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

(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 in good standing of the College or as being an agent

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

Variance

JULY 15 2005

(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).

CODE OF ETHICS AND DISCIPLINE

Code of Ethics

28. (1) The Board of Governors shall, by by-law, establish and provide for the preparation, publication and distribution of a Code of Ethics.

Agents and trainees bound

(2) Any agent or trainee who breaches the 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 agents and trainees.

Tribunal established

(2) A Disciplinary Tribunal shall be established in accordance with the by-laws to hear complaints against agents and trainees with respect to breaches of the Code.

Appeal

(3) Any party to a decision of the Disciplinary Tribunal may appeal to an Appeal Tribunal appointed by the Board of Governors for that purpose.

Appeal Tribunal appointed

(4) Where a party described in subsection (3) wishes to appeal a decision of the Disciplinary Tribunal 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 Tribunal to hear the appeal.

Decision binding

(5) Decisions of the Disciplinary Tribunal are binding on agents and trainees and the College unless overturned by an Appeal Tribunal, or reversed in part by an Appeal Tribunal, in which case the decisions are not binding to the extent of the partial reversal.

Jurisdiction

30. (1) Where, arising from the same facts, a complaint is filed against an agent or trainee in respect of both a breach of the Code under this Act and a breach of a code of ethics of another professional organization by which the agent or trainee is governed, the Board of Governors or its designate may consult with the other professional organization to determine whether one organization or both jointly shall exercise jurisdiction to discipline the agent or trainee.

Jurisdiction

(2) Where a complaint is filed to which subsection (1) applies, the Board of Governors or its designate shall forward the complaint to that organization if it is agreed that the other organization or both jointly shall exercise jurisdiction.

Sanctions

(3) The Disciplinary Tribunal, where satisfied that a breach has occurred, shall have the authority to impose sanctions in accordance with the by-laws, whether the complaint has been heard by the College or another organization or jointly.

INDEMNIFICATION

JULY 15 2005

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 member’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 registered agent and 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.

JULY 15 2005

Scope

(2) Communications to which subsection (1) applies are those between the registered agent (or the agent's firm) and a client or any person acting on behalf of the client in respect of intellectual property matters arising within the scope of services provided by an 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 Tribunal 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 [INCOMPLETE]

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

- (a) ...;
- (b)

BY-LAWS

By-laws [INCOMPLETE]

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,
(a)

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 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 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.

CONSEQUENTIAL AMENDMENTS

JULY 15 2005

Patent Act

- 41. Repealed: R.S. 1985, c. P-4, subparagraph 12(1)(j).
- 42. Amended: R.S. 1985, c. P-4, section 15.
- 43. Repealed: R.S. 1985, c. P-4, section 16.

Patent Rules

- 44. Repealed: SOR/96-423, subsection 4(11).
- 45. Repealed: SOR/96-423, sections 12-19.
- 46. Repealed: SOR/96-423, Schedule II (Section 3) Tariff of Fees, Part VII.

Trade-marks Act

- 47. Amended: R.S. 1985, c. T-13, paragraph 28(2).
- 48. Repealed: R.S. 1985, c. T-13, paragraph 65(c.1).

Trade-marks Regulations (1996)

- 49. Amended: SOR/96-195, section 2.
- 50. Repealed: SOR/96-195, sections 18 - 23.
- 51. Repealed: SOR/96-195, Schedule (Section 12) Tariff of Fees, Part IV.

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.