



EXCO MEETING CAPE TOWN 13 & 18 APRIL 2015

COUNTRY REPORT	
TITLE:	Country report for Canada
DRAWN UP BY:	<i>Alain Leclerc, President Ficpi Canada, Stephen Perry, Secretary Ficpi Canada</i>
TABLED TO:	FICPI delegates
PURPOSE:	For information and consideration
SNIPPET:	News from and activities of the FICPI national group in Canada since the Barcelona ExCo in November 2014.

SECTION A: ACTIVITIES OF FICPI ASSOCIATION/SECTION

The information supplied in Section A will remain confidential on FICPI's website after the ExCo.

SECTION B: CHANGES IN LAW

Information supplied under Sections B and C will be published on FICPI's website after the ExCo and will be available to the public.

B1. LEGISLATION

- Please provide details of any changes to IP legislation (patent, trade mark, design and other) in your country implemented or due to be implemented since the previous ExCo.

Trademarks Act / Implementation of Madrid Protocol / Regulations currently being drafted

Patent Act / Implementation of PLT / Regulations currently being drafted

Industrial Design Act / Implementation of the Hague protocol / Regulations currently being drafted

B2. MAJOR CASES

- Please provide brief details of any new case law in the field of patents, trademarks, design or other IP of general interest.

Trademarks:

Screamin' Eagle

H-D U.S.A., LLC [Harley Davidson] v. Berrada, 2014 FC 207

Federal Court Trial Division

Harley-Davidson, succeeded in its battle over the use and rights to the trademark SCREAMIN' EAGLE for clothing, despite the fact that the Defendant Berrada had been selling motorcycle clothing and related merchandise for more than 20 years at two SCREAMING EAGLE brand stores in Montreal.

The Court held that Harley-Davidson was "entitled to distribute, advertise, offer for sale and sell various items, including clothing, in connection with their trade-mark SCREAMIN' EAGLE, in association with their registered trade-mark HARLEY-DAVIDSON, throughout Canada but exclusively at HARLEY DAVIDSON retail stores". On the evidence presented, the court applied its discretion to state that the demonstrated goodwill of the defendant's brand "does not override HD's fame and recognition by the general public, motorcyclists and HD motorcyclists"-

It is worth noting that the trademarks EAGLE and SCREAMIN' EAGLE in association with clothing had been held by Berrada but that those registrations had been expunged for non-payment of renewal fees. Berrada still held a registration of the trademark SCREAMIN' EAGLE in association with retail



stores. This is why HD was Berrada failed in their counter-claim that Harley-Davidson's sale of SCREAMIN' EAGLE clothing constituted passing-off, trade-mark infringement, or depreciation of goodwill.

Patents: the promise doctrine still at issue

Apotex Inc. v. Pfizer Canada Inc. 2014 FCA 250
Federal Court of Appeal

The main issue in these appeals turned on whether the Federal Court judge properly held that the patent in issue did not promise certain specified results thereby declining to hold that the generic manufacturer's allegations of invalidity were justified by reason of the patent's alleged failure to procure these results. In short, the Trial Division of the Federal Court judge had held that the patent in question did not promise utility « in humans ». If it had, then the patent would have failed to demonstrate or been able to soundly predict treatment of inflammation in humans. In such case, a finding of invalidity for lack of utility would have automatically resulted.

The Court of Appeal confirmed the trial decision to the effect that the patent did not promise utility but rather had stated that the invention « may » be useful in the treatment of inflammation in humans. The word « may » was an important qualifier.

The case is also important in that it stands for the proposition that a « promise » should generally considered on a « claim-by-claim » basis such that failure of one or some claims does not necessarily have an overarching effect of invalidating an entire patent.

Patents: beware of pre-judgment interest

Eli Lilly and Company v. Apotex Inc., 2014 FC 1254
Federal Court Trial Division

This case dealt with the computation of damages payable after a finding of infringement. Apotex, a generic manufacturer had been found to infringe Lilly's patents on the drug Cefaclor. The case began in 1997 and it is only in 2015 that damages were calculated and awarded. When computing damages, compound pre-judgment interest were applied at a rate of 4.5% so that to a damage award of approximately 31 million dollars were added approximately 75 million dollars interest for a total of about 106 million dollars. This case shows that early settlements or damage awards may be a cheaper route for generic manufacturers to resolve litigation issues.

B3. OFFICIAL PRACTICE

3. Please provide details of any changes in official patent and trade mark office practice which would be of general interest to other members. **Nothing to report**
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B4. PROPOSALS FOR CHANGES

4. Please provide details of any proposed changes in IP laws or practice and indicate if your National Association/Section is involved in providing comments to such changes.
Would it be of assistance to have input from the CET on any proposed changes?

Ficpi Canada is proposing, *inter alia*, the following changes:



- Privilege for patent and trademark client-agent communications;
- Professional College for agents;
- Post-grant opposition practice in patent matters;
- Continuation and continuation-in-part practice in patent matters;
- Terminal disclaimer practice in patent matters;
- The maintenance of “use” requirements in trademark registrations.

SECTION C: OTHER INFORMATION OF GENERAL INTEREST

Please provide details of any other information pertaining to your country or region that would be of general interest to FICPI members and other IP practitioners browsing FICPI's website.

The Government continues to place emphasis on IP issues in its legislative agenda. On January 27, 2014, five key international IP treaties were tabled in Parliament which aim to harmonize and simplify procedures across multiple jurisdictions: the Madrid Protocol, the Singapore Treaty, the Nice Agreement, the Patent Law Treaty and the Hague Agreement.

Amendments to the *Patent Act*, *Trade-marks Act* and *Industrial Design Act* are necessary for Canada to ratify these treaties. The required changes to the *Trade-marks Act* received royal assent on June 19, 2014. Royal assent for the *Patent Act* and the *Industrial Design Act* was received on December 16, 2014.

Trademark applications are on the rise at about 50,000 while the number of patent applications is steady at about 36,000.

C.1 CET AND PEC SPEAKERS

- 1.1 Would your National Section/Association be interested in obtaining assistance from FICPI, through either the CET Work and Study Group or the Professional Excellence Commission (PEC), in providing speakers for seminars organized by your national group in your country?

To be determined in accordance with future requirements.

- 1.2 If your group does, or in the future might, require such assistance, please identify topics that might be of interest to your members, with a view to raising FICPI's profile and providing added value from membership of FICPI in your country.

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