

## Canadian Intellectual Property Office (CIPO) Launches Design Database:

CIPO defines industrial design as “features of shape, configuration, pattern or ornament – or any combination - applied to a finished article made by hand, tool, or machine.” Prior to December 1, 2005, anyone wishing to conduct a design search had to arrange for a manual search of the design microfilm archives of the CIPO offices in Hull, Quebec. Now, industrial designs are finally searchable on the CIPO website – the last form of Canadian Intellectual Property to be digitized and made public

Unfortunately, CIPO's first phase of the Canadian Industrial Design Database only contains industrial designs registered as of June 15, 2002 – about 10,000 designs. New registrations are to be added weekly, and the back file will be converted sometime in the Spring of 2006.

In order to conduct a comprehensive Canadian infringement search, the most recent ten years of CIPO design data would have to be retrievable in CIPO's new design database – as ten years is currently the life of a Canadian industrial design registration. It is also important to bear in mind that there are decades of expired CIPO design data still in the archives which could be relevant when doing searches for registrability. Another important fact is that the ownership and assignment data should be manually checked when performing due diligence work, since reassignments do not appear to be recorded on the Canadian Industrial Designs Database.

### Combined Water Pipe and Bottle

Canadian Industrial Design Registration no: 103141

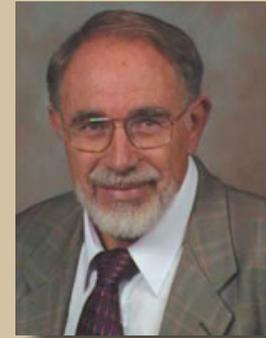


In total, there are not a lot of design registrations (about 100,000 to date) possibly reflecting the fact that few Canadians are aware that they can protect the appearance or ornamentation of a product by an inexpensive design registration. Canadians file roughly only a quarter of the registrations in a given year. In 2001 the numbers slipped even more: Canadians registered 479 out of a total of 2845 industrial designs.

A person searching CIPO's design database is immediately confronted by the same problem of design searches conducted in other jurisdictions – the only descriptive text is the title, which in many cases is brief, or reduced to one word - “Chair” or “Bottle” or “Toy”. The usual method of searching designs is to ferret out the relevant design classifications, and then proceed to view hundreds of images one after the other to find a visual match. However, the Canadian Industrial Designs Database does offer a searchable field for “Classification Text” to assist in locating relevant classifications.

For instance if you want to see smoker's accessories you may enter the truncated term “Smoker\*” into the classification text field to find some sample designs and pick up the general classification 098, SMOKERS ACCESSORIES AND EQUIPMENT. Bongs are classified under subclass 098-02 “Smoker's Pipes”, for example. The Canadian Design Classification is available to browse at the bottom of the menu page.

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### Patents to Profits Seminar for Entrepreneurs & Inventors

Editorial, by Ron Simmer

Participate in BC's best innovation commercialization seminar for entrepreneurs, inventors and product developers! Be there to talk to the experts in the most important disciplines in profiting from ideas!

Since my seminar on launching new products was well received last year, I am offering another one-day seminar this coming February 4th in Richmond. Anyone who is seriously considering spending their precious time and money on a product-based business could benefit. See my web page at [www.patscan.com](http://www.patscan.com) for more details.

In my practice as a patent searcher I meet many inventors and entrepreneurs eager for the challenge of new ventures. Unfortunately many of them falter in their efforts at the steep part of the learning curve, since such a large array of skills is needed to succeed. Obtaining a patent is not the same as pulling a winning lottery ticket. A great deal of hard work, research and strategy is behind the average million-dollar idea.

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## Patent Pools: Win-Win Licensing for Biotechnology

**F**reedom to operate is always a major concern in developing high technology companies. Every day a Patent Troll somewhere threatens horrible patent infringement litigation unless a company licenses the Troll's portfolio of obscure patents. So far the choices have been to stand and fight in court or make a deal with the Troll. However there may be a third option – collaborate with others in the field as part of a patent pool and grow the market together.



Historically the first patent pool was set up in the mid-nineteenth century with a group of sewing machine manufacturers after Elias Howe, the sewing-machine inventor, sued the companies making sewing machines. Howe and the three main sewing machine manufacturers subsequently made a deal to share their patents and license them to outsiders.

The threat of the First World War was instrumental in forming two patent pools for strategic purposes by the US Navy. In the first instance, Wilbur Wright had tied up the aircraft industry with infringement litigation against the Herring-Curtis Corporation, so the Navy co-opted all the patents. Also radio technology development had been stalled for 10 years over vacuum tube patent disputes, so in this case the Navy enforced a patent pool for US defense advantage in 1919.

For many years murky, conflicted and crowded patent situations in the electronics and computer fields have been resolved by arrangements of cross licensing by industry giants such as Motorola, IBM, Microsoft and INTEL – all noted for making enormous revenue through licensing deals. Strategic licensing decisions accelerated R&D and sold lots of products, many of which became dominant industry solutions in the marketplace.

The most successful formal patent pools have been the DVD technology patent pool of Sony, Philips and Pioneer and the pool for MPEG data compression technology. These pools based upon industry standards managed to pass the test of the US Federal Antitrust Guidelines for Licensing of Intellectual Property. The stated objectives of the US policy is for "...integrating complementary technologies, reducing transaction costs, clearing blocking positions and avoiding costly infringement litigation." Examples of violations are obvious price fixing or market division.

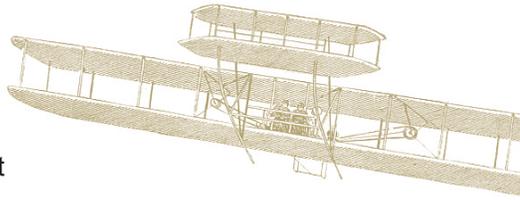
Some patent pools have run afoul of US antitrust legislation. In 1998 VISX and Summit Technology were forced by the FTC to dissolve their patent pool for laser eye surgery equipment. The FTC claimed they restricted others from using their patents, drove up prices and reduced competition. In 2003 the Philips Corp. was found guilty by the International Trade Commission of "patent misuse" in tying licensing arrangements of unrelated patents to its portfolio of CD-R patents.

The field of biotechnology would seem to be a place where patent pools would work to the public good, generate income, and unleash research by providing freedom to operate, given the thousands of overlapping genetic sequence patents issued or pending.

Dr. Jorge Goldstein of Sterne, Kessler, Goldstein & Fox P.L.L.C. in his presentation at a recent Licensing Executives Society meeting in Seattle stated that a developing diagnostic lab tool such as a gene chip array to scan human tissue samples for a single genetic disease would become a licensing nightmare. For instance a tool for detection of cystic fibrosis would require a stack of licenses from patentees covering the 25 mutations that would be part of a standard test.

Defining the scope of the situation, he made the point that there are an estimated 1.4 million single nucleotide polymorphisms in the human genome which could link to genetic diseases and approximately 650 genetic diseases tests exist or are under development.

While a few genetic diseases such as Huntington's involve a single mutation, many such as Alzheimer's and hereditary breast and ovarian cancers are polygenic (involving multiple genetic variations) and would be good candidates for patent pools.



Dr. Goldstein in his paper cited below proposes a structure for patent pooling of genetic tools, involving standards to be set by the American College of Medical Genetics. A key element would be an independent arbitration system to allocate royalties and make decisions on patents to be included in the pool. He made the case that a collaboration of patent holders would be mutually profitable and encourage

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## Canadian Patent Assignee & Status: Terra Incognita

**W**hile the Canadian Intellectual Property Office has made improvements in patent documentation in the last few years, there remain a few potholes on the road to finding patent assignee and status information.

The CIPO patent database now contains basic administrative status for Canadian patent documents. This information is available by clicking on the "View Administrative Status" button on the CIPO site for a given patent record; the database then displays a screen with status and maintenance fee payment information. (Note that an application abandoned due to failure to pay fees may be rescued within one year.)

The first extremely important fact is that the CIPO basic status information provided for patents on the public website may not include re assignment information or changes in corporate names, just data indicated at time of filing and prosecution. The CIPO patent website makes a distinction between "Applicant" (entity applying for a patent) and "Owner" (entity named as assignee in registered title document) which is a good thing.

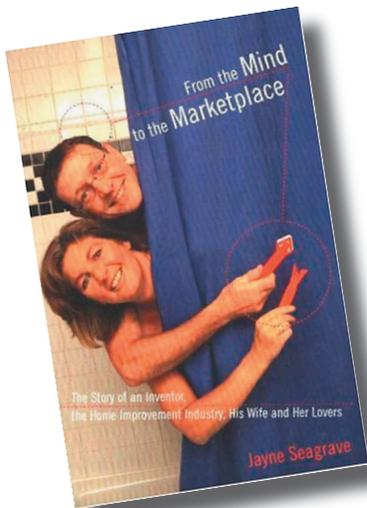
However to go beyond this basic information a person must use the TECHSOURCE program through workstations at the Patent Search Room (now called the Client Services Centre) of the CIPO headquarters in Hull, Quebec. There is no web based file history information comparable to the very useful USPTO PAIR web site (Patent Application Information Retrieval) which includes file histories of US patent prosecution.

To do a thorough search, one should check TECHSOURCE for reassignments as well as the manual, handwritten "Key Index" maintained in the CIPO search facility. This practice should be performed for Industrial Designs as well.

Joanne Grison, who operates Grison Intellectual Property Services which provides hands-on searches of CIPO records, says "We still do a lot of manual checking for information that is not on the TECHSOURCE system. We had a case recently where I located evidence of an assignment handwritten in the manual Key Index." Concerning reliability of CIPO data, she says, "I have seen times when the current patent owner information posted on the public website was not correct." Such records are extremely important, since if no assignment is recorded, a patent assignment may be void, as per section 51 of the Patent Act.

According to Kazimierz Kaminski, Ottawa Patent Agent, there is at least one hole in the basic status information provided on the public CIPO website. "The status information missing from the Internet database is that about applications provisionally abandoned (abandoned but remaining in the 12 months grace period for reinstatement) for reasons other than failure to pay maintenance fees, such as failure to respond to an Office Action. The provisional abandonment due to non-payment of maintenance fees can normally be inferred from the "Administrative status" provided in the Internet database, but no such information is provided for other reasons of abandonment. This can only be checked through Patent Search Room (PSR) workstations."

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## From the Mind to the Marketplace

**The Story of an Inventor,  
The Home Improvement Industry,  
His Wife, and Her Lovers  
by Jayne Seagrave.**

*Book Review*

In a book as unique as her approach to business, Jayne Seagrave tells all about leveraging a few inventions into a very successful home based business - The Vancouver Tool Corporation, Canada's largest manufacturer of kitchen and bathroom renovation tools. Established in 1996, Vancouver Tool Corporation specializes in unique, patented tools for every caulking need.

Only 141 pages long but bursting with information, this is a "self-help" guide for the struggling entrepreneur who is bent on launching his own consumer product. The book is full of funny anecdotes on how Jayne and her husband Andrew launched their business on a shoestring and built their sales up inch by inch. Every chapter ends with "Advice to the Inventor" - a list of does and don'ts covering all aspects of introducing a

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## ReExamination Strategies Examined

**A**s a side effect of the imbroglio between RIM and NTP over patents covering Blackberry e-mail technology more people are now aware of the little used reexamination option at the US Patent and Trademark Office. The "ReEx" process is not that popular, since only about 1% of US patents per year go through the procedure.

The USPTO on its own initiative has tossed out all the asserted NTP patents in preliminary reexamination actions. Although the US Federal Circuit Court's August 2005 decision went against RIM, by Sept. 29, 2005 the USPTO had issued initial reexamination rulings against all 1,921 claims in

the eight NTP patents listed in the original complaint.

Based on a review including prior art not considered in the District Court trial in 2002, USPTO patent examiners apparently believe the original NTP patents never should have been issued at all. The USPTO ruling cited a variety of reasons including the TeleNor prior art submitted recently by RIM, as well as RIM's own single mailbox integration patent US6219694, determined by the USPTO to have been invented prior to the NTP patent filing. Final rulings from the USPTO are still pending as NTP is expected to appeal the eight initial rulings.

The USPTO has revamped their reexamination procedures - the new USPTO reexamination process is outlined at: [www.uspto.gov/web/offices/com/speeches/05-38.htm](http://www.uspto.gov/web/offices/com/speeches/05-38.htm). Reexamination decisions now require a thorough review and the unanimous agreement of a panel of USPTO supervisors and senior patent examiners.

Under US and Canadian law it is possible for anyone to request reexamination of any patent for a modest fee. Third parties may consider that the legal costs to initiate ReEx proceedings are much less than litigation against

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## Searching Business Method patents Or Dumpster Diving in G06f 17/60

**A** recent decision by the USPTO Patent Appeal Board on broadening the scope of business methods patents just made life a bit harder for patent searchers. Previously business method patents were embedded in software, but now removal of the "technological arts rejection" means that a business method does not have to be related to a computer or other electronic device.

Patent searchers in the field of business methods have a range of

patent classifications to search in and around the field of computer programs that were useful; now since business methods may go beyond software we are back to square one until the patent classification systems catch up.

Searching patent classifications was the traditional method of patent searching in the days when there were patent "shoe files" in the search rooms for manual searching. In the search room there may have been a hundred or so patents in a given patent

classification "shoe" - carefully organized pigeonholes for paper copies of patents that grew slowly over time.

By comparison, the general International Patent Classification for business methods G06F17/60, defined as "Digital Computing or data processing... Administrative, commercial, managerial, supervisory or forecasting purposes" contains over

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