

Canadian Feds Issue Patent, Then Try to Invalidate It in Court

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The federal government recently lost in its attempt to invalidate a patent it was accused of infringing. The attack was unrelated to the merits of the invention itself, and misplaced enough that the IP practitioners association¹ was compelled to successfully intervene as a third party to advocate for patent validity on the key issue.

Traditionally, when faced with a blocking patent, a company would design around the patent, pay to license it or invalidate the patent on its lack of merit². There is a growing trend in patent law of alleged infringers trying to invalidate patents by looking for technical mistakes made by patent owners when filing the patents. Attacking technicalities has been fruitful in some cases by killing patents on the basis that they were 'deemed abandoned' for issues such as paying a [wrong fee or improperly claiming small entity status](#). Other technical attacks were ultimately unsuccessful when a patent was [challenged on the basis of failure to properly disclose prior art, and that the patentee did not act in good faith when he allegedly made a misstatement when revising inventorship](#). A technical attack was also deflected when a [patentee intended to pay patent filing fees](#), but did so unsuccessfully.

In a new technical attack on a patent³, the federal government and its contractor argued that the failure of a public servant to disclose his status in a patent petition (ie. patent filing document) invalidated the patent. The inventor was a member of the Supplementary Holding Reserve of the Canadian Forces when he filed a patent application for a decontamination and containment system for biological and chemical hazards. At this time, he was listed as unavailable for armed forces duties, and did not receive any benefits or remuneration. Nonetheless, the defendants argued that the inventor breached his obligations under the *Public Servants Inventions Act*⁴ (PSIA) by failing to disclose his public servant status. This was alleged to be a material untrue allegation voiding the patent⁵.

The Federal Court of Appeal decided that the patent was valid. The court found that the inventor was obligated by law to disclose his public servant status and was subject to penalties under the PSIA for not doing so. The PSIA did not refer to the invalidation of a patent as a consequence of non-disclosure. The *Patent Act* was silent on the issue of disclosure of public servant status in a patent filing, and only required that the invention be new, inventive and useful. The Court left open the issue of whether the government might have some ownership in the patent application by virtue of the public servant relationship.

While the new ground of attack on validity was unsuccessful in this case, patent applicants need to be vigilant in complying with legal requirements around patenting. Otherwise, they are giving competitors an opening to try to challenge validity. Technical challenges may be a longshot, but they cost significant time and money to fend off in litigation.

1 Intellectual Property Institute of Canada (IPIC)

2 The usual grounds for invalidating a patent are: (1) lack of utility, (2) lack of novelty, (3) obviousness, (4) insufficient disclosure, and (5) an untrue material allegation or a willfully misleading act or omission.

3 *Brown v. Canada* (2016), 2016 FCA 37.

4 R.S.C., 1985, c. P-32.

5 Section 53 of the *Patent Act*, R.S.C., 1985, c. P-4.