



**Canadian
Intellectual Property
Office**

An Agency of
Industry Canada

**Office de la propriété
intellectuelle
du Canada**

Un organisme
d'Industrie Canada



CIPO Annual Report 2013-2014

Canada

CIPO  OPIC





CIPO Annual Report 2013-2014

This publication is available upon request in accessible formats.

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Contents

Message from the Chief Executive Officer

8

Introduction

9

Operational Achievements

10

Patent Branch	11
Trademarks Branch	11
Copyright and Industrial Design Branch	12
Patent Appeal Board	13
Trademarks Opposition Board	13
Client Service Standards	13

Functional Achievements

14

Inspiring Customer Services	16
Access to Innovative Knowledge	17
Modern IP Framework	17
Highly Skilled Workforce	18
Responsive IT Infrastructure	19
Operational Excellence	20

Looking Forward

21

Acronyms

22

Additional Information Online

23

About Us

- The Canadian Intellectual Property Office (CIPO), a special operating agency of Industry Canada, is responsible for administering Canada's system of intellectual property (IP) rights:
 - patents;
 - trademarks;
 - copyright;
 - industrial designs; and
 - integrated circuit topographies.

CIPO's primary clients are applicants for IP protection, agents representing those applicants, users of IP systems, and the Canadian business community. Our self-funded status is an important factor guiding planning and operations. A reliance on the revenues that CIPO generates from its services reinforces its commitment to be effective, efficient and responsive to those seeking to establish IP rights. This commitment extends to all parties and stakeholders with an interest in our processes and activities.

Vision

Our leadership and expertise in intellectual property supports creativity, enhances innovation and contributes to economic success.

Mission

To accelerate Canada's economic development by:

- providing greater certainty in the marketplace through high-quality and timely intellectual property rights;
- fostering the use of the IP system and the exploitation of IP information;
- encouraging invention, innovation and creativity in Canada;
- administering the IP system in Canada (patents, trademarks, copyright, industrial designs and integrated circuit topographies); and
- promoting Canada's international IP interests.

Values

As trusted partners in building an innovative Canadian economy:

- We serve with excellence and efficiency in all that we do.
- We make timely and sound decisions on intellectual property rights.
- We respect the perspectives of stakeholders, while carrying out our regulatory function.

As proud employees of CIPO:

- We perform our duties in a manner that preserves and builds on CIPO's good reputation and credibility.
- We work collaboratively.
- We act as ambassadors of IP.
- We remain committed to continuous improvement and learning.

As an individual:

- I respect my fellow employees.
- I value diversity.
- I appreciate the ideas and contributions of other employees.

Our Client Service Commitment

CIPO is committed to providing excellent client service. You can reach us by telephone, mail, email and fax. The Client Service Centre checks voice messages at least once a day and returns your call by the end of the next business day. We acknowledge general correspondence, email and fax requests within two working days.

If you prefer, you can visit us at the Client Service Centre, where we will greet you in the official language of your choice and we will provide you with access to an Information Officer within 5 minutes.

If you wish to formally register feedback concerning any of the products and services offered by CIPO, please use our online feedback mechanism by clicking on the Contact Us link located on our website.

How to reach us

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Message from the Chief Executive Officer

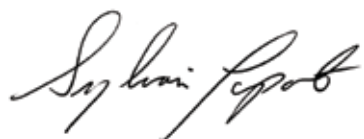
I am pleased to present the *Canadian Intellectual Property Office Annual Report 2013–2014*. This was the second year of our five-year Business Strategy, launched in 2012. The overall goal of the Business Strategy is to support innovators with the provision of high quality intellectual property (IP) rights in a timely manner, enabling Canadian firms and innovators to successfully commercialize their ideas. We have followed last year's success with significant achievements in a number of areas.

CIPO has continued to ensure that customers receive high quality IP rights, while at the same time, working to improve the turnaround times (TATs) in the patent, trademark and industrial design processes, as well as the Patent Appeal Board and Trademarks Opposition Board procedures, by implementing process improvement techniques. These techniques are expected to contribute to our success in further reducing TATs and decreasing inventories. For several years in a row, we have surpassed our client service standards. In 2013–2014 we met our commitments, on average, 95 percent of the time.

In 2013–2014, CIPO also made significant efforts to fulfill the Government of Canada's commitment to align Canada's intellectual property framework with international best practices. On January 27, 2014, five intellectual property treaties—the Madrid Protocol, the Singapore Treaty and the Nice Agreement (all on trademarks), the Patent Law Treaty and the Hague Agreement on the registration of industrial designs—were tabled in Parliament, providing legislators with an opportunity to debate the merits of these international instruments. This was followed by a Government commitment in the federal budget, the *Economic Action Plan 2014 Act*, to join these treaties.

The *Economic Action Plan 2014 Act*, tabled on March 28, 2014, included changes to Canada's *Trade-marks Act*. The changes will align the Act with the requirements of the three international trademark treaties. The legislation provides the notable benefit of enabling companies to obtain trademark protection in several countries by filing a single international application at the World Intellectual Property Organization, in one language and one currency, thereby reducing paperwork and costs for businesses.

CIPO achieved significant results through the sustained efforts of our talented employees. I invite you to read further to learn more about CIPO's efforts and successes in turning our vision into action.



Sylvain Laporte
Commissioner of Patents, Registrar of Trademarks and Chief Executive Officer

Introduction

This annual report describes the results that the Canadian Intellectual Property Office achieved in various areas during 2013–2014. One of the main areas highlighted within the report is the progress of CIPO's product lines in addressing their respective turnaround times. For more details, see the "Operational Achievements" section.

The Business Strategy is comprised of strategic and enabling pillars that focus on CIPO's substantive business.

The Customers pillar focusses on developing a deeper understanding of the IP needs of the innovators and businesses and inspiring new services that CIPO can provide.

The Access to Innovative Knowledge pillar ensures CIPO will effectively disseminate information to encourage innovation through the exploitation of accessible knowledge.

The Modern IP Framework pillar activities target reducing red tape and aligning the IP regulatory and administrative framework with international best practices.

The Highly Skilled Workforce pillar focusses on enabling CIPO to be a flexible, knowledge-intensive and learning-based organization that can attract and retain the most qualified people who understand the innovation benefits of IP.

The Responsive Information Technology (IT) Infrastructure pillar will ensure that CIPO has a responsive and modern IT system, which is critical to encouraging innovation, maintaining a modern regulatory framework, and providing efficient services and accessible knowledge.

The Operational Excellence pillar is enabling a strong and sustainable capability to manage business operations effectively and efficiently, while meeting the needs of customers/stakeholders to ensure we provide quality IP rights in a timely and cost-effective manner.

Operational Achievements

CIPO is committed to providing quality intellectual property rights in a timely fashion. In 2013–2014, CIPO continued the challenge to improve overall turnaround times. To that end, all of the product lines worked diligently and have seen a measure of success: they have brought about an immediate reduction in TATs and inventory levels, or they have laid the foundation for significant improvement in the years ahead.

Patent Branch

In 2013–2014, the Patent Branch continued working to increase operational efficiency, optimize timeliness and improve quality for clients, while promoting IP interests globally and modernizing the IP framework.

Process Improvement

Through sustained efforts during the year, the Patent Branch significantly reduced overall turnaround times from 45.7 to 42.7 months. The branch developed an enhanced capability to calculate various components of the Request for Examination-to-Grant turnaround times, and it enhanced monitoring efforts by introducing improved tools for tracking production. Throughout the year, the branch received 37,044 applications, granted 23,482 patents, and was able to reduce its inventory levels from 79,775 to 73,276 applications, for a total reduction of 6,499.

The Patent Branch worked extensively to implement LEAN¹ methodologies across the branch. The “Define, Measure, Analyze, Innovate, Implement, Control” methodology for the various phases of developing and conducting Kaizen² activities was implemented in 2013–2014. LEAN implementation led to successes in streamlining various processes and reducing waste. One success is within the branch’s examination and the allowance step of the patent process. The branch has changed from manual quality control to an entirely electronic approach. This has resulted in standardization and enhanced tracking of quality control, with improved workflow for greater efficiency.

International

The branch conducted significant work on the international front. It represented CIPO

at the Sixth Session of the Patent Cooperation Treaty (PCT) Working Group, where the focus was on pursuing continued improvement of the PCT system and advancing proposals discussed at earlier meetings. In addition, the branch attended the Meeting of International Authorities (MIA) under the PCT and the Quality Subgroup of the MIA. The participants at these meetings worked to shape the future of the treaty and improve the quality of the work of the international authorities to increase the value of the PCT to patent applicants, offices and third parties.

Trademarks Branch

Process Improvement

In 2013–2014, the Trademarks Branch pursued various process improvement initiatives following the LEAN methodology. Several initiatives were implemented in the operations section of the branch. The results enabled the branch to reduce the internal assignment service standard from 45 to 15 days, and the published registration service standard from 25 to 15 days. The average wait time for formalizing an application, once received in the Branch, was lowered from 4.1 days to 2.4 days. With respect to examination, a significant effort was made to reduce the old mail inventories and maintain a turnaround time of 3.5 months for mail files. The branch also increased its capacity by adding three cohorts of examiners during 2013–2014 to help reduce turnaround times and inventory.

Turnaround times are expected to decrease in the future as the effects of the LEAN methodology continue to increase the branch’s efficiency. As of March 2014, the branch had received 50,132 new applications, registered 27,210 trademarks and had an inventory of 123,328 files.

¹ LEAN: A methodology for continuous improvement.

² In a Kaizen (Japanese, “improvement”) activity, a crossfunctional team of employees studies a specific process, with the aim of finding potential process changes.

Legislative Renewal

To advance the federal government's priority of updating Canada's trademarks framework, CIPO made significant efforts in support of changes to the *Trade-marks Act* proposed in Bill C 8, the *Combating Counterfeit Products Act*. Subsequently, the Government proposed further changes to the *Trade-marks Act* in fulfillment of its commitment in the *Economic Action Plan 2014* to join three international trademark treaties: the Madrid Protocol, the Singapore Treaty and the Nice Agreement. As stated in the *Economic Action Plan 2014*, joining these three trademark treaties will bring alignment with international best practices, reduce administrative burden for Canadian businesses and draw foreign investment.

Copyright and Industrial Design Branch

Industrial Design

Throughout 2013–2014, the Copyright and Industrial Design Branch concentrated on improving turnaround times for industrial design. The branch's implementation of LEAN methodology has emphasized taking immediate action on older files by adopting a "first-in, first-out" approach to the existing caseload. The result was that the branch made significant progress in reducing the inventory of older files. As older, more complex cases were addressed, the short-term effect was an increase in overall turnaround time from 10.8 to 12.6 months. This increase is temporary. The TAT is expected to fall as a result of the continued application of LEAN techniques and the allocation of additional resources to the examination team in 2014–2015.

Performance statistics are monitored regularly, and the operations staff succeeded in reaching

2013–2014 production goals while continuing efforts to reduce the overall TAT for industrial designs. By the end of 2013–2014, the branch had received 5,370 new industrial design applications, had registered 4,049 industrial designs and had inventory totalling 6,269 files. The inventory of industrial design files grew from the 5,092 files pending at the end of 2012–2013. However, the increase is temporary and is expected to be reversed in the near future as LEAN implementation continues across the branch.

Copyright

In 2013–2014, CIPO received 8,314 copyright applications. Of these, 91 percent were filed electronically. The electronically filed applications were processed and copyrights were registered within five days. With regard to the paper-filed applications, 92 percent were processed within seven days and the copyrights were registered.

Transformation

The Copyright and Industrial Design Branch began to evaluate the branch's future and formulate a direction to achieve that future. The branch began by examining customers' needs and imagining the branch from the innovators' perspectives. The challenge was also to view the branch as more than an office of record and to look at best practices from around the world for potential new ways of doing business. This process is an ongoing effort with incremental implementation.

International

The Copyright and Industrial Design Branch undertook significant work on the international front. The branch represented Canada at the 30th and 31st sessions of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, held at the Geneva headquarters of the World Intellectual Property Organization (WIPO), where meetings focused on developing an

international Design Law Treaty and advancing several other proposals discussed at earlier meetings. In addition, the branch continued its work toward meeting the government's commitment of acceding to the Geneva Act of the Hague Agreement for the International Registration of Industrial Designs. The branch participated in the Hague Working Group and continuously engaged with WIPO on the necessary steps for implementation of the Hague System in Canada. The branch has also continued to discuss issues of common interest with intellectual property offices around the world, such as those of the United States, Japan, United Kingdom, and Australia.

Patent Appeal Board

In 2013–2014, the average turnaround time of cases at the Patent Appeal Board was 30 months, representing a decrease of 45 percent from the 2012–2013 TAT of 55 months. This improvement was made possible by a large increase in internal productivity and production. As a result, the branch was able to completely eliminate its inventory of old cases, while processing a substantial number of newer cases. The significantly improved production is also reflected in a 15-percent reduction in the inventory of cases, from 44 to 37, despite a sharp increase in new cases referred (90 percent year-over-year). The number of new cases received was 34 in 2013–2014, an increase from 20 in 2012–2013.

Trademarks Opposition Board

In 2013–2014, the Trademarks Opposition Board received 924 new opposition cases and issued 165 decisions. The overall turnaround time for opposition cases decreased from

46 months in 2012–2013 to 40 months in 2013–2014. In addition, the Board was able to clear 53 of its inventory of 58 files, which had been pending for more than five years (since before 2008). Furthermore, the overall inventory of opposition cases decreased from 2,039 to 1,899 during 2013–2014. These successes can be attributed to case management by Members of the Board, as well as the implementation of LEAN methodology to improve the operational processing of opposition case files.

Client Service Standards

In addition to the improvements in performance discussed above, CIPO succeeded in achieving its client service standards 95 percent of the time, on average. This was a significant improvement from 2012–2013, when CIPO achieved the client service standards 90 percent of the time on average. For example, for first substantive office action on an application with a request for examination, CIPO exceeded the expectation of 90 percent for all five disciplines of patents: 96 percent for biotechnology, 97 percent for electrical, 98 percent for mechanical, 98 percent for organic chemistry and 93 percent for general chemistry.

Since the launch of the *CIPO Business Strategy 2012–2017*, CIPO has consistently exceeded its client service standard commitment. The extensive work on improving turnaround times has stimulated this progressive improvement in overall client service commitments. This continued success has led to an evaluation of CIPO service standard commitments and it is expected that changes will be made where new standards are warranted.

For detailed descriptions of client services and established standards, visit the CIPO website (www.cipo.ic.gc.ca).

Functional Achievements

The *CIPO Business Strategy 2012–2017* consists of six strategic and enabling pillars that focus on supporting CIPO's product lines and enabling them to successfully provide outstanding client service.

The strategic pillars include:

Customers: To understand the needs of customers and their requirements to innovate.

Objectives:

- Improve understanding of customers to support competitiveness and innovation, and to inform policy.
- Undertake targeted outreach.
- Improve two-way communications with customers to improve service delivery.

Access to Innovative Knowledge: To be recognized as a valuable contributor of technical and business knowledge throughout the innovation cycle.

Objectives:

Provide accessible, trusted and relevant information to:

- aid inventors throughout the innovation process;
- enhance transparency to facilitate new business opportunities; and
- provide robust evidence in support of policy development and decision making.

Modern IP Framework: To enhance the commercial success of Canadian businesses by ensuring that all aspects of the IP administrative and regulatory framework support innovation and competitiveness, increase clarity and certainty, and reduce red tape.

Objectives:

- An efficient, effective administrative and regulatory framework that supports the acquisition of quality rights in a timely fashion.
- Commitment to continually reduce red tape.
- Expanded international cooperation that helps Canadians compete globally and makes Canada a destination for investment.
- An administrative policy and research function providing evidence-based policy in support of clarity, certainty and transparency.

The enabling pillar goals give priority to maintaining a highly skilled workforce in the organization; updating CIPO's information technology (IT) systems to be more modern and responsive; and optimizing the quality, timeliness and cost-effectiveness of operations.

Highly Skilled Workforce: A workforce that understands the innovation benefits of intellectual property and contributes to the economic success of Canada.

Objectives:

- Attract and retain the most qualified people.
- Employees connect with and are guided by CIPO's values, mission and vision.
- Employees are proud to work at CIPO and feel it is a great place in which to work.
- CIPO remains a learning-based organization.
- Accountability at all levels is increased by aligning individual performance goals with the Business Strategy.

Responsive IT Infrastructure: CIPO has responsive information technology systems that support its ability to encourage innovation and respond to the IP community's business needs.

Objectives:

- Make the transition to a modernized set of industry-proven technologies.
- Improve online customer experience.

Operational Excellence: CIPO provides quality IP rights in a timely and cost-effective manner.

Objectives:

- Ensure efficient and cost-effective delivery of CIPO services.
- Cultivate a process-based organization that thrives on continuous improvement and adding value to customers.
- Improve quality and timeliness.
- Ensure employees have the tools, knowledge and performance information to manage the processes for which they are accountable.

Inspiring Customer Services

To support innovative activity in Canada, CIPO recognizes the importance of ensuring that the Canadian intellectual property system is responsive to customers. In 2013–2014, CIPO completed the roundtable consultations that it began in 2012. This process involved meeting with almost 200 small and medium-sized enterprises (SMEs) and numerous technology transfer offices³ (TTOs) from across Canada. Building upon the success of the roundtable discussions, CIPO's senior executive team visited with a number of SMEs and large companies throughout the year to continue improving CIPO's understanding of customer needs. The findings from the roundtable sessions and senior executive visits are being used to plan and implement product and service enhancements over the remaining years of CIPO's Business Strategy.

Responding to feedback received from SMEs in the roundtable discussions, CIPO developed partnerships with local, provincial and federal organizations that interact with Canadian companies at various stages of their business and innovation cycles. For example, CIPO entered into a partnership with the newly launched National Research Council Canada (NRC) Concierge Service. This service provides a single access point where SMEs can find advice to help them innovate and accelerate their growth. As part of this partnership, both CIPO and the NRC provide a mutual referral of clients from their respective call centres to ensure that SMEs are directed to the appropriate resource when seeking business information. In addition, CIPO provided specialized IP training to NRC Concierge officers to better equip them to be able to highlight

the importance of intellectual property to SMEs, and to inform them of CIPO's products, tools and services.

Throughout the roundtable consultation process, SMEs expressed a desire for CIPO to update its website. In response, CIPO reviewed website content to remove outdated information, as well as information that was deemed not relevant to its audience. CIPO also conducted an analysis of the website information architecture for the purpose of establishing an architecture that facilitates intuitive access to key IP information for Canadian innovators.

CIPO also continued to enhance two-way communications with customers. The organization launched a Twitter account in 2013–2014, attracting 500 followers by fiscal year-end. CIPO will expand its social media presence in the year ahead, having identified LinkedIn as another platform on which to communicate.

Through its toll-free line as well as by mail or email, CIPO's Client Service Centre (CSC) is the focal point of contact for IP information requests from clients, including educators, innovators, IP professionals and the general public. In 2013–2014, the CSC answered approximately 76,000 general information and documentation requests on subjects such as filing procedures and costs, as well as the status of applications and registrations. CSC employees also provided guidance to clients on searching IP databases or navigating the organization's website.

In addition, CIPO's business development officers have continued to make direct contact with SMEs, entrepreneurs, and innovators through a variety of forums, such as business trade shows. The aim is to help them make the

³ Technology transfer offices are organizations that help transfer technology from universities to businesses.

best use of the intellectual property system and ensure they have the necessary IP knowledge to protect their inventions.

Access to Innovative Knowledge

In 2013–2014, CIPO undertook broad internal consultations to develop a roadmap that will guide the organization to achieve the pillar's goal over the remaining years of CIPO's Business Strategy.

CIPO continued developing IP Analytics capacity to improve understanding of the patent landscape domestically and abroad. IP Analytics has proven useful in identifying company collaborations when patenting, and this helps to gauge the level of knowledge sharing in the inventive process.

In keeping with our goal of increasing access to IP information, we completed the online collection of Canadian Patents by adding documents issued prior to 1920. Furthermore, searchable text of patent disclosures is now available through the World Intellectual Property Organization, other intellectual property offices and commercial clients. Additionally, CIPO worked with WIPO to include Canadian patent data in PATENTSCOPE, the global organization's database of international and national patent collections. These efforts serve to increase the visibility of Canadian intellectual property rights internationally.

Following up on its commitment to improve search and share capabilities and access to data, CIPO converted industrial design data to the internationally accepted standard for exchange

and shared the data for incorporation into WIPO's global designs database. A project to convert trademark data into the international standard is also underway, which will facilitate dissemination and international harmonization. CIPO will explore ways to meet customers' information needs by improving the functionality of online databases and improving access to IP data through activities such as participation in the federal government's open data initiative. The aim is to ensure that Canadians can better utilize the wealth of information contained in Canadian IP databases.

Modern IP Framework

In its *Economic Action Plan 2014*, the Government of Canada announced its intent to modernize Canada's intellectual property framework through ratification of the treaties or accession to them. It also tabled proposed changes to the *Trade-marks Act* in Parliament on March 28, 2014.

In addition, on October 28, 2013, the Government introduced Bill C-8, the *Combating Counterfeit Products Act*, in Parliament. The bill strengthens the enforcement of copyright and trademark rights, and aims to curtail commercial activity involving infringing copies and counterfeit trademarked goods. The bill also includes amendments to the *Trade-marks Act*; these streamline the requirements for obtaining a filing date and allow the Registrar of Trademarks to correct errors that appear in the *Trade-marks Journal*⁴.

Two regulatory packages, the regulation amending Patent Final Action⁵ as well as the Patent and Trademarks Agent Exams

⁴ A weekly publication of the Office of the Registrar of Trademarks containing all approved applications and all Office rulings.

⁵ The amendments to the *Patent Rules* modernize, simplify and clarify CIPO's processes associated with the review of a patent application by the Commissioner of Patents that has been rejected in a Final Action by a patent examiner. In addition, minor changes have been made to clarify the Re-examination process.

regulations⁶, were published in the *Canada Gazette, Part II* and came into force during 2013–2014.

Over the year, CIPO continued to engage in various international activities. It cultivated strategic relationships, benchmarked performance, influenced international forums, and targeted and improved the provision of technical assistance.

At the Sixth Plurilateral Patent Prosecution Highway⁷ (PPH) Working Group meeting in Tokyo, it was agreed that CIPO and the intellectual property offices of 12 other countries would adopt a Global Patent Prosecution Highway framework. The intellectual property offices involved in this agreement include many of CIPO's current PPH partners, as well as another seven offices. The global agreement simplifies the current PPH process by using one set of qualifying requirements for all PPH partner countries. A business can now make a PPH request based on national or international work products to any or all of the intellectual property offices of the participating countries⁸.

CIPO initiated a pilot PPH program with the State Intellectual Property Office of the People's Republic of China; this is the first deliverable under a memorandum of understanding signed with China's IPO on May 31, 2013. A PPH agreement was also signed with Portugal's IPO during 2013–2014.

CIPO also met with various intellectual property offices, including those of the United States,

European Union, Chile, France, Germany and Japan; the meetings reinforced current partnerships through exchanges about IP best practices and mutually beneficial IP initiatives.

The 16th annual CIPO–WIPO Workshop took place. It highlighted CIPO's continued commitment to providing assistance and management techniques in the delivery of IP services to developing countries under the World Trade Organization's Agreement on Trade-Related Aspects of Intellectual Property Rights.

Highly Skilled Workforce

CIPO has a highly skilled workforce that is dedicated to providing clients with high-quality IP rights in a timely manner. To ensure that CIPO's workforce remains highly skilled, competency profiles were developed for examiners, as well as for members of the Patent Appeal Board and the Trademarks Opposition Board. The profiles define the expected skills and capabilities required for the various key roles at CIPO. This makes it easier for CIPO to hire people with the right skills set for the job. It also enables employees to better prepare for their current and future roles.

CIPO is committed to the continual development of its workforce. Part of the ongoing development includes providing employees with information to increase

⁶ Amendments to the *Patent Rules and Trade-marks Regulations* regarding agent qualifying examinations and maintenance of the respective register and list of agent names.

⁷ The Patent Prosecution Highway (PPH) allows an applicant to significantly fast-track examination of the patent application provided there is a corresponding application with one of CIPO's PPH partners. PPH Partners include: State Intellectual Property Office of the People's Republic of China, German Patent and Trade Mark Office.

⁸ Global Patent Prosecution Highway partners include: IP Australia, Danish Patent and Trademark Office, Finnish Patent and Registration Office, Hungarian Intellectual Property Office, Icelandic Patent Office, Israel Patent Office, Japan Patent Office, Korean Intellectual Property Office, Nordic Patent Institute, Norwegian Industrial Property Office, Portuguese Institute of Industrial Property, United Kingdom Intellectual Property Office, Russian Federal Service for Intellectual Property, Spanish Patent and Trademark Office, Swedish Patent and Registration Office, United States Patent and Trademark Office, Canadian Intellectual Property Office, Intellectual Property Office of Singapore, Austrian Patent Office.

their understanding of the benefits of IP. CIPO has developed several avenues to provide employees with opportunities for continued learning.

Since CIPO's workforce is very diverse, a healthy, respectful and inclusive workplace is essential. CIPO celebrated its diversity by organizing a Diversity Week in March 2014; this consisted of a Diversity Day with representation from several cultures, as well as lunchtime mini-conferences that highlighted the values of respect, diversity and inclusiveness, and what they bring to an organization. To sustain and foster such a work environment, CIPO held workshops providing employees with the information and tools required to create a respectful workplace, and to promote attitudes and behaviours that support a healthy and harassment-free environment. Supervisors also benefitted from additional learning opportunities, helping them to give and receive feedback effectively and to deal with conflict constructively.

CIPO can achieve its goals only through its employees. To ensure accountability, work agreements were put in place from the level of the Chief Executive Officer down to the most junior positions in the organization. This process ensured strategic alignment to the *CIPO Business Strategy 2012–2017*. It provided shared accountability by strengthening everyone's responsibility for ensuring the continued success of the organization.

Responsive IT Infrastructure

In 2013–2014, CIPO IT Modernization Program initiated over a dozen foundational and component-based IT projects, which will facilitate the design, development, and

implementation of IT Modernization project capabilities in future years.

CIPO undertook projects to ensure that its databases can be easily accessed to obtain valuable intellectual property information. Updates to the CIPO website and online services made the organization's web content more accessible, primarily for users with disabilities. In addition, CIPO enhanced the Canadian Patents Database to improve search functionality for patent agents, examiners and other clients. New features include examination date request and images of patents prior to 1920, both of which are now searchable.

Recognizing the importance of an up-to-date IT system for delivering services to customers, CIPO launched a new trademarks eFiling system in 2013–2014. The system has streamlined and simplified the application process, resulting in faster processing times, more flexibility in the application process, and the introduction of a new tool enabling customers to see their transaction history. In addition, CIPO devoted much effort to improving current online channel capabilities. For example, clients are now able to view, print and download a PDF version of their statement of financial transactions online.

To comply with the required amendments to Canada's IP legislation and regulations, three projects were initiated to make system modifications to existing IT environments. Furthermore, CIPO has established a bilateral relationship with the World Intellectual Property Organization to leverage WIPO's technical expertise in implementing solutions that support the various international IP treaties.

During 2013–2014, CIPO also initiated a project that will allow the organization to use a single authoritative source of financial data. This will eliminate reconciliation issues, improve efficiency, and enhance the timeliness and accuracy of financial reporting.

Operational Excellence

In 2013–2014, LEAN activities continued in the Patent, Trademarks, and Copyright and Industrial Design branches, but were also expanded to include the Patent Appeal Board, the Trademarks Opposition Board, the Finance and Administration Directorate, and the Information Branch. LEAN is an industry best practice for continuous process improvement. It provides the knowledge and tools that empower employees to streamline their work processes and focus on maximizing value for the customer.

CIPO has developed internal expertise to ensure the sustainability of LEAN efforts. A “black belt” expert, the highest qualification in the LEAN methodology, was hired to support the organization. LEAN capacity was also expanded by training 16 “yellow belt” agents across CIPO. The increased internal LEAN capacity made possible the launch of 12 initiatives aimed at improving turnaround times, quality and/or other performance indicators. One of the LEAN projects was designed to simplify the incoming application process to minimize the movement of files and reduce errors. Initial results have yielded an improvement in the handling of files from the mailroom to patent scanning, including fee validation, from 300 hours to 24 hours.

Based on efforts initiated last year, an organization-wide Quality Management System (QMS) implementation approach was approved, with its first deployment to be scheduled for 2014–2015. The deployment will be gradual, by specific business units. CIPO will kick-start this initiative by performing an organization-wide Fit/Gap QMS Analysis and will develop a plan for specific business units to address the observed gaps.

To support decision making by senior management, CIPO introduced a new monitoring and reporting capability. The new capability provided management with different lenses for evaluating CIPO’s efficiency and effectiveness. This enabled CIPO to identify and assess why the organization’s productivity and employee utilization were stable, even though production was cyclical over time.

Greater and long-lasting improvements come through managing an organization’s portfolio of processes in an integrated fashion—that is, by becoming a process-based organization. A vision of CIPO as such an organization has already been integrated into the Operational Excellence pillar strategy, and its Implementation Roadmap will be developed and put into place over the next years. Organizations that give top importance to processes consistently outperform those that do not. They adapt more quickly to changing business conditions and are also more responsive to their customers.

Looking Forward

CIPO has accomplished a great deal over the year. All products lines have worked diligently to improve turnaround times, reduce inventories and focus on client service. Processes at CIPO have been improved using the LEAN methodology. SMEs have provided CIPO with valuable information that will help the organization provide ongoing improvements to service. Of course, great strides have been taken towards modernizing Canada's IP framework.

CIPO realizes that 2014–2015 will be a pivotal year, during which the organization needs to ensure that it will be able to deliver on all the Business Strategy commitments by 2017.

CIPO will continue its efforts to improve turnaround times and reduce inventory levels. It is expected that process improvement initiatives and LEAN activities will continue producing outstanding results. An organization-wide Quality Management System will ensure that the high standard of intellectual property rights issued by CIPO will be maintained.

The implementation of the international IP treaties will require a great deal of effort and activity. This will necessitate some alignment of resources to ensure that all process and IT enhancements and updates are delivered successfully. Also, significant effort will be expended to support the legislative changes that will align and modernize Canada's IP framework.

In addition, CIPO will review the services currently offered, with a view to ensuring that these are the most effective services to help inventors and small businesses achieve success. CIPO will evaluate ways to decrease the complexity of the IP process while maintaining quality, and to increase awareness of the benefits of IP protection.

Of course, none of this will be possible without the dedication and commitment of CIPO's employees, who ensure the daily delivery of the organization's goals and initiatives. CIPO has 1,000 employees, composed of examiners, support personnel and functional officers. All are experts in their field, and work to ensure that clients receive high-quality and timely rights. Together, we are dedicated to supporting creativity, enhancing innovation and contributing to Canada's economic success.

At CIPO, we are inspired by innovation and committed to success.

Acronyms

CEO	Chief Executive Officer
CIPO	Canadian Intellectual Property Office
CSC	Client Service Centre
GPPH	Global Patent Prosecution Highway
IP	Intellectual property
IPO	Intellectual Property Office
IT	Information technology
MIA	Meeting of International Authorities
NRC	National Research Council Canada
PCT	Patent Cooperation Treaty
PDF	Portable Document Format
PPH	Patent Prosecution Highway
QMS	Quality Management System
SME	Small and medium-sized enterprise
TAT	Turnaround time
TTO	Technology Transfer Office
WIPO	World Intellectual Property Organization

Additional Information Online

Audited Financial Statements and Additional Financial Information

Trademarks

Graphs

- Trademark Turnaround Times to Examination
- Trademark Applications
- Trademark Disposals

Tables

- Trademark Applications Filed by Language
- Trademark Applications Filed and Registered by Province/Territory
- Top Ten Trademark Applicants
- Top Ten Trademark Registrants
- Trademark Applications Filed and Registered by Origin as Stated by Applicant
- Trademark Opposition Board Operational Statistics

Patents

Graphs

- Patent Requests for Examination
- Patent Disposals

Tables

- Patent Applications Filed by Language
- Patent Applications Filed, Requests for Examination and Grants by Discipline
- Applications Filed & Granted to Residents of Canada and Foreign Countries (Fiscal Year 2013–2014)

- Top 10 Patent Applicants (Fiscal Year 2013–2014)
- Top 10 Patentees (Fiscal Year 2013–2014)
- Patent Applications Filed and Granted by Origin as Stated by Applicant
- Patent Appeal Board Operational Statistics

Copyright

Graphs

- Copyright Applications
- Copyright Disposals

Tables

- Copyright Applications Filed by Language
- Copyright Applications Filed and Registered by Province/Territory
- Copyright Applications Filed and Registered by Origin as Stated by Applicant
- Top Ten Copyright Applicants

Industrial Designs

Graphs

- Industrial Design Applications
- Industrial Design Disposals

Tables

- Industrial Design Applications Registered by Language
- Industrial Design Applications Filed and Registered by Province/Territory
- Industrial Design Applications Filed and Registered by Origin as Stated by Applicant
- Top Ten Industrial Design Applicants
- Top Ten Industrial Design Registrants

Corporate Statistics

- Key Activities
- Finance
 - Revenues by Products and Services
 - Operating Expenditures by Category
 - Expenditures by Branch Grouping
 - Patent Revenues
 - Trademark Revenues
 - Copyright and Industrial Design Revenues
- Human Resources
 - Employees by Age Group
 - Total Employees
 - Employees by Gender
- Information Branch
 - Internet Traffic
 - Enquiries

Client Service Standards**Senior Executive Team and Business Development Officers**