

**Date: 20071126**

**Docket: T-2179-05**

**Citation: 2007 FC 1236**

**Ottawa, Ontario, November 26, 2007**

**PRESENT: The Honourable Mr. Justice Barnes**

**BETWEEN:**

**THE DOW CHEMICAL COMPANY**

**Applicant(s)**

**and**

**ATTORNEY GENERAL OF CANADA and  
THE COMMISSIONER OF PATENTS**

**Respondent(s)**

**REASONS FOR JUDGMENT AND JUDGMENT**

[1] This is an application for judicial review brought by The Dow Chemical Company (Dow) from a decision by the Commissioner of Patents (Commissioner) made under section 8 of the *Patent Act* (Act), R.S.C 1985, c. P-4. Dow's Notice of Application seeks an Order directing the Commissioner to correct Canadian Patent Application No. 2,381, 559 ('559) by adding nine missing pages of text. Dow asserts that these pages were inadvertently omitted from the '559 application through a clerical error made by its United States patent attorney. It further says that the '559 application was amenable to correction and should have been corrected by the Commissioner pursuant to his statutory discretion. Dow contends that the Commissioner's decision to refuse its

request for a correction was exercised on the basis of an error of law as to what constitutes a "clerical error" for the purposes of the exercise of the discretion conferred by section 8 of the Act. Dow also asserts that the Commissioner's discretion was made on the basis of speculation and was contrary to the evidence before him on the issue of third-party prejudice.

### **Background**

[2] It is undisputed that Dow's '559 application was filed on September 1, 2000 and laid open for public inspection on March 15, 2001. It was not until April 17, 2002 that Dow first asked the Commissioner to insert the missing pages into the '559 application. That request offered no explanation for the mistake beyond the following bare assertion:

Due to an inadvertent clerical error, several pages were omitted from the PCT application text. Wording similar to that omitted in error can be found in the provisional applications cited as priority documents for both corresponding PCT and U.S. applications. The counterpart U.S. application, filed the same day as the PCT application, contains the full text.

[3] Not surprisingly, Dow's request for a section 8 correction was declined by the Commissioner in a letter dated July 22, 2003. One of the reasons given by the Commissioner for refusing relief was that Dow had failed to provide an explanation for the alleged clerical error.

[4] It was not until May 9, 2005 that Dow asked the Commissioner to reconsider his decision. On this occasion, Dow's request was supported by a 5-page letter from its Canadian solicitors and an accompanying affidavit sworn by Dow's United States patent attorney, Dan R. Howard.

[5] On November 9, 2005, the Commissioner responded to Dow's request for reconsideration and again the requested relief was declined. The Commissioner's letter gave the following reasons for this decision:

This is in reference to your letter dated May 9, 2005, in which you submitted a request for reconsideration of the Patent Office decision to not enter the correction requested by the applicant under Section 8 of the *Patent Act*, in a letter dated April 17, 2002.

Section 8 of the *Patent Act* states that clerical errors in any instrument of record in the Patent Office may be corrected under the authority of the Commissioner. It cannot be accepted that this is a clerical error in an instrument of record in the Patent Office. Reference is made to the *Bayer v. Commissioner of Patents* (53 C.P.R. (2d) 70) decision.

“I accept that a clerical error is an error that arises in the mechanical process of typewriting or transcribing and that its characteristic does not depend at all on its relative obviousness or the relative gravity or triviality of its consequences.”

The error that occurred in respect of the subject application was the inadvertent deletion of a considerable part of the description. After a review of Mr. Howard's affidavit, it is still unclear how a simple amendment of the text for minor wording changes could have led to the absence of 9 pages in the application. From the explanation of the circumstances as presented in the affidavit, it is impossible to clearly conclude that the error arose in the mechanical process of typewriting or transcribing and, therefore, the error is not a clerical error within the meaning of section 8 of the *Patent Act*.

Even if it was determined that the error in this case is a clerical error, the Commissioner has the discretion, under section 8 of the *Patent Act*, to decide whether or not to correct clerical errors (*Bristol-Myers Squibb Co. v. Commissioner of Patent* [1998] 82 C.P.R. (3d) 192 at 197). In the present case, the Commissioner does not consider that it is an appropriate exercise of his discretion to enter the requested correction.

The applicant's request cannot be accepted for the following reason:

The request under Section 8 of the Patent Act was made on April 17, 2002. This is more than a year after the application was opened to public inspection (March 15, 2001). The accuracy and reliability of the information of the document as opened to public inspection is an essential part of the procedure. Following the opening of the patent application to public inspection, third parties may have relied on the information appearing in the application as available and could be prejudiced by the addition of new subject matter.

For the reasons above, the requested correction is refused. The fee for a request of correction of a clerical error has already been levied for the consideration of matter by the Patent Office and is non refundable under Section 4 of the *Patent Rules*.

[6] This application for judicial review is brought from the above-noted decision.

### **The Evidence Before the Commissioner**

[7] The evidence before the Commissioner in support of Dow's reconsideration request was in the form of an affidavit deposed by Mr. Howard. That affidavit stated that Mr. Howard had prepared a draft of the '559 application in conjunction with a draft of the corresponding United States patent application. He stated that the electronic versions of these two draft documents would have been substantially identical and that any differences would have been limited to matters of form and format necessary to conform with the respective requirements of the United States Patent and Trademark Office and the World Intellectual Property Organization. Somewhere in the process of either initially drafting these applications or in their revision, nine pages of text contained within the specification of the United States application was omitted from the '559 application.

[8] Mr. Howard's affidavit went on to note that the missing text was present in the United States application but "inexplicably" left out of the '559 application. Although he could not precisely identify the source of the error, his affidavit offered the following possibilities:

9. I do not know whether I inadvertently deleted the omitted text when editing this PCT application to delete wording subject to a objection outside the US, or whether Carolina Garcia inadvertently deleted the omitted text when reformatting the PCT final application. In either case, the error clearly occurred when Carolina Garcia or I were carrying out the mechanical process of electronically editing this PCT application, because the omitted text is not missing from the corresponding US application.

10. Based on the foregoing, I do believe that the omitted text was inadvertently and not deliberately deleted from this PCT application (and accordingly from this Canadian application) as a result of an error which occurred during the mechanical process of transcribing this PCT application, and accordingly is an error of a clerical nature.

### **The Decision Under Review**

[9] The Commissioner's decision to refuse relief to Dow was based on the following two grounds:

- (a) Dow had failed to establish that its error met the definition of "clerical error" as required by section 8 of the Act; and
- (b) Even if Dow's mistake was a clerical error, the request for a correction was made too late and third parties may have relied to their prejudice on the application as originally filed.

### **Issue**

[10] (a) Does the Commissioner's decision contain a reviewable error either with respect to the issue of clerical error or in the exercise of the discretion to grant section 8 relief to Dow?

### **Analysis**

[11] In *Procter & Gamble Co. v. Canada (Commissioner of Patents)*, 2006 FC 976, 298 F.T.R. 139, I applied the standard of review of correctness to the issue of whether the Commissioner had a legal duty under section 43 of the Act to correct an admitted error concerning the date of issuance of the subject patent. As counsel for the Commissioner points out here, the decision in *Procter & Gamble*, above, did not strictly involve a consideration of the Commissioner's discretion pursuant to section 8 because the Commissioner in that case had declined to exercise that authority and could identify no other legal basis for making a correction to his records. The fact that a dating error had been made in the records of the Patent Office was not in dispute. The issue presented by that case was thus described in paragraph 16 of the decision:

The Commissioner's decision turned on a point of legal interpretation going to the root of his statutory authority. He did not exercise his statutory discretion or apply the facts to the law but determined, instead, that he had no authority to grant the relief requested of him.

[12] There are, of course, cases where the issue presented on judicial review is nominally one of mixed fact and law but where the legal issue can be isolated from the facts surrounding it. Where a legal issue can be segregated in this way from the evidence and where the decision-maker has incorrectly identified the legal principle or standard required to be applied to the relevant evidence,

the standard of review will usually be correctness: see *Canwell Enviro Industries Ltd. v. Baker Petrolite Corporation*, 2002 FCA 158, 288 N.R. 201 at para. 51. However, in cases where fact and law are truly mixed, the deference owed to the decision-maker will usually be assessed at least against the standard of reasonableness. Much, of course, depends on the significance of the evidence to the issue under review. The more factual or evidence-laden the exercise, arguably the greater the deference that is owed by a reviewing court.

[13] In *Pason Systems Corp. v. Canada (Commissioner of Patents)*, 2006 FC 753, 295 F.T.R. 1, the issue before Justice Roger Hughes as to whether a "clerical error" had occurred was seen to be "essentially factual" requiring a "reasonable but not high degree of deference" (para. 21.) I do not see this holding to be inconsistent with the standard applied in *Procter & Gamble*, above, where the issue was one of legal interpretation and where the corresponding standard was correctness.

[14] In this case, the two grounds relied upon by the Commissioner to refuse Dow's request for relief need to be assessed separately for the purpose of identifying an appropriate standard of review. I will address the first of the Commissioner's grounds for refusing Dow's request at a later point in this decision.

[15] The second of the Commissioner's grounds for refusing to correct the '559 application seems to me to be an issue of mixed fact and law. The Commissioner was concerned with the two interrelated issues of the length of delay and the potential for third-party prejudice and therefore declined to grant relief under section 8 of the Act. This is the kind of issue which attracts judicial

deference and I would adopt the following standard of review analysis from *Bristol-Myers Squibb Co. v. Commissioner of Patents* (1997), 138 F.T.R. 144 aff'd on appeal at (1998), 82 C.P.R. (3d) 192 (F.C.A.):

10 Section 8 of the Act was interpreted before by this Court in *Bayer Aktiengesellschaft v. Commissioner of Patents* (1980), 53 C.P.R. (2d) 70. At page 74 of that decision, Mahoney J. stated:

Section 8 provides that "clerical errors ... may be corrected by certificate under the authority of the Commissioner". "May" is permissive; it is not directory nor mandatory. There is nothing in the circumstances contemplated by s. 8 that would lead me to conclude that the respondent is obliged to issue a certificate of correction once he determines that what is sought to be corrected is a clerical error. It is in his discretion to do so. The Court cannot substitute its discretion for his. Mandamus does not lie to require the respondent to issue a certificate under s. 8 of the Patent Act.

11 Thus, even where an error is accepted as clerical in nature, the Commissioner of Patents' decision whether to correct it is discretionary. In my view, this interpretation remains valid, notwithstanding the subsequent adoption of rule 35 in replacement of rule 141. This change in the Rules, in the context of section 8 of the Act, does nothing more than to formally allow "the applicant" to request the correction of obvious clerical errors in the specified documents. Such a request made by the applicant under rule 35, however, remains subject to the approval of the Commissioner as edicted in section 8 of the Act.

12 The Commissioner's decision, therefore, was discretionary. In *Maple Lodge Farms Limited v. Government of Canada et al.*, [1982] 2 S.C.R. 2, at pages 7 and 8, McIntyre J., for the Supreme Court of Canada, stated:

... It is, as well, a clearly-established rule that the courts should not interfere with the exercise of a discretion by a statutory authority merely because the court might have exercised the discretion in a different manner had it been charged with that



responsibility. Where the statutory discretion has been exercised in good faith and, where required, in accordance with the principles of natural justice, and where reliance has not been placed upon considerations irrelevant or extraneous to the statutory purpose, the courts should not interfere....

13 Later, the Federal Court of Appeal, in *Canadian Association of Regulated Importers v. Canada*, [1994] 2 F.C. 247, at page 260, expressed the following view:

It is not fatal to a policy decision that some irrelevant factors be taken into account; it is only when such a decision is based entirely or predominantly on irrelevant factors that it is impeachable. It is not up to the Court to pass judgment on whether a decision is "wise or unwise." (See *Cantwell v. Canada (Minister of the Environment)* (1991), 6 C.E.L.R. (N.S.) 16 (F.C.T.D.), at page 46 per MacKay J.) This Court, because these matters involve "value judgments", is not to "sit as an appellate body determining whether the initiating department made the correct decision." (See Strayer J. in *Vancouver Island Peace Society v. Canada*, [1992] 3 F.C. 42 (T.D.), at page 49.)

[...]

In other words, for a court to interfere, there must be reliance primarily on irrelevant matters as well as an absence of evidence supporting the Minister's decision.

14 Furthermore, I am of the opinion that in granting this general discretion to authorize the correction of clerical errors under section 8 of the Act, Parliament clearly signalled a reliance on the specialized expertise of the Commissioner. Accordingly, the Commissioner's determination of the factors to be taken into account in exercising her discretion ought to be given curial deference, and should not be overturned unless unreasonable (see *Pezim v. B.C. (Superintendent of Brokers)* (1994), 114 D.L.R. (4th) 385, at 404-406).

[footnotes omitted]

[16] Dow's request to the Commissioner for a correction of the '559 application was made under section 8 of the Act which reads:

8. Clerical errors in any instrument of record in the Patent Office do not invalidate the instrument, but they may be corrected under the authority of the Commissioner.

8. Un document en dépôt au Bureau des brevets n'est pas invalide en raison d'erreurs d'écriture; elles peuvent être corrigées sous l'autorité du commissaire.

[17] Dow contends that the Commissioner erred in the application of his section 8 discretion by relying upon a single unfounded and hypothetical consideration to refuse Dow's request for a correction to its '559 application. It argues that the Commissioner wrongly speculated about the potential for prejudice to third parties. Dow says further that not only was there no evidence of actual prejudice to any other party, no reasonable person after reviewing the '559 application would fail to see the substantial omission of text. Having identified the omission, any prudent, knowledgeable and interested party would know to look to the corresponding priority documents to see what had been left out and would, therefore, suffer no prejudice. Dow also advances a related argument -- albeit not one it put to the Commissioner -- that under Rule 17.2 of the *Patent Cooperation Rules*, the United States priority application was legally deemed to be part of the Canadian file history and the Commissioner was, as of March 15, 2001, deemed to be in receipt of it.

[18] There are several deficiencies in Dow's argument. Firstly, the Commissioner did not rely solely on a presumption of prejudice to third parties but was also concerned about the length of Dow's delay in seeking relief. The Commissioner's letter of November 9, 2005 refers to the fact

that Dow's request came more than one year after the '559 application was opened to public inspection. This observation was actually quite generous to Dow because its initial request to the Commissioner was completely unsubstantiated. It was not until more than four years had elapsed from the laid open date that Dow supplied any evidence to support its assertion of a clerical error.

[19] Dow's argument that the substantial omission of text from the '559 application would have been obvious to a third party is weakened by the fact that Dow and its agents failed to recognize the mistake for many months. Furthermore, I agree with the Commissioner that third parties, acting in good faith, are entitled to assume that a patent application is accurate and complete. In turn, the Commissioner is not required to embark upon the somewhat speculative exercise of attempting to assess either the obviousness of an error to a third-party reader or the relative availability of other sources of remedial information. The fact that the U.S. priority documents are deemed to be part of the Canadian file history adds nothing of significance to the problem of *de facto* third-party prejudice. On this point, I accept the validity of the Commissioner's position as expressed in his supplementary written argument to the Court:

The Applicant's additional arguments do not squarely address this aspect of the Commissioner's refusal to exercise his discretion to correct in the matter at hand. The fact that the priority application documents were available, and that reference to those documents could have revealed that certain pages were not included in the Canadian application does not address the concern that third parties may never have averted to the fact that material was missing from the Canadian application at all, nor does it address the inherent concerns relating to prejudice associated with the delayed manner by which the requests for correction were made.

[20] In cases of long delay like this one, the Commissioner is entitled to presume that third party interests could be adversely affected by a s.8 correction. Indeed, in many if not most cases, there will be no available evidence of actual third-party prejudice. Taken to its logical conclusion, Dow's argument would require the Commissioner to grant relief in virtually every instance where a clerical error has been made by the patentee.

[21] The right of the Commissioner to consider the potential for third-party prejudice in the exercise out his section 8 discretion has also been judicially recognized.

[22] In *Bristol-Myers Squib Co.*, above, the Court at first instance considered the Commissioner's refusal to grant section 8 relief for a requested correction to a patent petition where text had been incorrectly deleted by the patentee's agent. The Commissioner's refusal to grant relief was expressed, in part, as follows (at para. 9):

- according to the Rules applicable at the time of filing [New Rule 142], the request for priority had to be submitted within six months of the filing date;
- the application has been opened to public inspection based on the date of the priority request and the accuracy and reliability of the information of the opened document is an essential part of that procedure; and
- following the opening of the patent application to public inspection, third parties may have relied on the information appearing in the application and could be prejudiced by the addition of a part to the priority claim.

[23] In upholding the Commissioner's decision, Justice Yvon Pinard dealt with the argument advanced here by Dow that the Commissioner had erred by speculating about third-party interests. He rejected that argument on the following basis (at para. 15):

In the case at bar, the good faith of the Commissioner is not at issue and it is my opinion that she carefully considered the evidence supporting her decision. Upon review of the factors expressly taken into account in her decision, I am satisfied, although the alleged prejudice to third parties may be speculative, that it was reasonable for the Commissioner to exercise her discretion as she did.

[24] On appeal, Bristol-Myers argued again that the Commissioner had improperly exercised her section 8 discretion by applying irrelevant considerations and by failing to take account of relevant considerations (see *Bristol-Myers Squibb Co.*, above, at para. 11). The Court of Appeal noted the Commissioner's concern about the retroactive effect of the requested correction and dismissed the above argument for the following reasons (at para. 25):

The Commissioner, pursuant to s. 4 of the Act, has "the charge and custody" of the records belonging to the Patent Office. In view of this, the words "under the authority of" in s. 8 of the Act suggest that the Commissioner is responsible for the integrity of the system under her care. The effect of the request for correction was not, as in *Bibeault*, to record a transfer of rights and obligations which had occurred by operation of the law. The Commissioner of Patents was asked to give priority to a claim which, under the law, can only be made within a period of six months from the filing of the patent application on June 25, 1993. The application had been opened to public inspection based on the priority date. It was reasonable for her to estimate that reliability of the opened document was an essential part of the procedure of public inspection and that third parties may have relied on the information appearing in the application and could be prejudiced by the addition of a part to the priority claim. These considerations were not, as claimed by the applicant, irrelevant. Far from it. The Commissioner could have been preoccupied with the effect the request could have had on others had the correction being granted.

[Emphasis added; footnotes omitted]

[25] I can find nothing in the Commissioner's decision in this case to distinguish it from the decision which was upheld in *Bristol-Myers Squibb Co.*, above. The Commissioner was entitled to exercise the statutory discretion for the reasons expressed and to interfere with the decision would represent an inappropriate judicial trespass upon that discretion.

[26] In light of my conclusion that the Commissioner did not err in the exercise of his section 8 discretion, it is unnecessary for me to decide whether the mistake by Dow's United States patent attorney amounted to a clerical error. Nevertheless, it should be noted that the Commissioner was not satisfied by the evidence presented that a clerical error had occurred and he expressed doubt that an error of this scope would be the likely result of the types of clerical slips for which section 8 relief would ordinarily be available. The weight to be attributed to the evidence tendered is, of course, a matter falling squarely within the Commissioner's authority and is, therefore, deserving of considerable deference. In the absence of convincing evidence that a mistake involving the deletion of nine pages of text could readily result from a simple keyboarding or transcription slip, it is difficult to take issue with the Commissioner's conclusion.

[27] I would add that the fact that an error is shown to be inadvertent (as this one was found to be) is not sufficient to establish that it was a clerical error insofar as that term has been judicially defined. Although Dow's arguments to the Court attempted to explain how such a thing might have occurred, that information was not contained within the evidence put before the Commissioner and, therefore, cannot be considered in a review of his decision. The same is true for the affidavit of Mr. Schwartz which contained evidence concerning the obviousness of the mistake and the

availability from other sources of the complete text of the '559 application. This was evidence that was available and could have been placed before the Commissioner. Having failed to apprise the Commissioner of this evidence, it is inappropriate to ask the Court to rely upon it in assessing the reasonableness of the Commissioner's decision.

[28] It was, of course, open to Parliament to have granted a broader corrective authority to the Commissioner by leaving out the word "clerical" from section 8 of the Act. The inclusion of that term was clearly intended to confine the Commissioner's discretion to some degree. Although I agree that in an age where documents are produced and edited by computer, simple keyboarding or other transcription mistakes can cause seemingly disproportionate effects, some evidence may still be required to establish the character or source of the error. In some cases that may be obvious but here it was not and the Commissioner was not satisfied by Mr. Howard's scant explanation that the text was somehow inadvertently deleted during the editing process. While it was open on this evidence to have come to a different conclusion, I cannot say that the Commissioner's view of the evidence was unreasonable.

[29] In the result, this application for judicial review is dismissed. Having regard to section 25 of the Act, no award of costs will be made.

**JUDGMENT**

**THIS COURT ADJUDGES that** this application for judicial review is dismissed without costs.

“ R. L. Barnes ”

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Judge



**FEDERAL COURT**

**NAME OF COUNSEL AND SOLICITORS OF RECORD**

**DOCKET:** T-2179-05

**STYLE OF CAUSE:** THE DOW CHEMICAL COMPANY  
v.  
THE ATTORNEY GENERAL OF CANADA and THE  
COMMISSIONER OF PATENTS

**PLACE OF HEARING:** Ottawa, Ontario

**DATE OF HEARING:** June 14, 2007

**REASONS FOR ORDER:** BARNES J.

**DATED:** November 26, 2007

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