



Introduction to IP Strategy

**Canadian Intellectual
Property Office (CIPO)**

18 November, 2020





Agenda

- CIPO
- Why does IP Matter?
- Main Types of IP – Brief Overview
- 3 Common IP Mistakes
- Developing an IP Strategy for your Business
- CIPO's Free Tools & Learning Resources



CIPO Mandate

- Outreach and Awareness -



Examine and grant intellectual property (IP) rights



Provide quasi-judicial function for trademarks and patents



Raise awareness for the effective use of IP



Share IP information to support follow-on innovation



Represent CIPO internationally to support businesses operating globally

Innovators and businesses:

- **Understand basics of patents, trademarks, industrial designs, copyright and trade secrets**
- **Aware of the value of IP as competitive advantage**
- **Equipped to make informed decisions about IP strategy**
- **Know how to protect, use, and maximize return on their investments in innovation & IP**



Why does IP Matter?

- S&P 500 firm valuations ~90% intangible assets
- TSX ~ 70%
- Awareness of competitors' IP rights
- Avoid costly mistakes
- Identify niche opportunities for your business, and potential partners
- Help attract investors
- Potential revenue streams

Main Types of Intellectual Property



TRADEMARK



A “sign” used to differentiate your products and services from those of other companies

PATENT



A new, useful inventions that is not obvious

COPYRIGHT



Original works

TRADE SECRET



Confidential and valuable business information

INDUSTRIAL DESIGN



Original visual features of shape, configuration, pattern or ornament on a finished article

Also: Plant Breeders' Rights & Geographic Indications

1. Trademark



A “sign” used to differentiate your products and services from others



Right to exclude others from using your mark



Renewable every 10 years



International registration via [Madrid System](#)









Use TM **before** registered, and [®] **after** it is

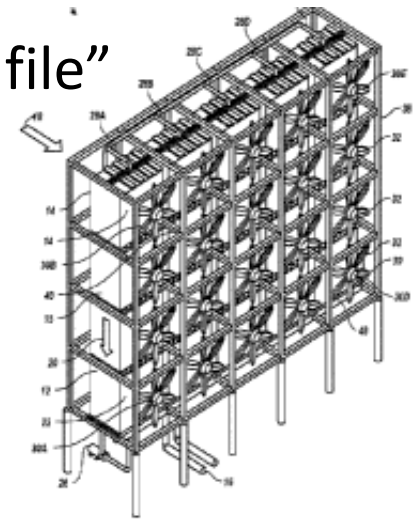
Tim Hortons [®]

 *shopify* [®]

 TM

2. Patent

-  For **new, useful** inventions that are **not obvious**
-  Exclude others from making, using, selling or importing
-  Application (full disclosure), examination, grant
-  Up to 20 years from filing date → N.B. “first to file”
-  Canada: 12-month grace period
-  International filing system (PCT)
→ [Solace Power success story](#)








[How businesses choose between trade secrets and patents](#)
(Kilpatrick, C., 2019)

Carbon Dioxide Capture
Method and Facility (Carbon
Engineering - [CA 2734786, 2017](#))

3. Copyright ©



-  Protects **creative, original works** in various forms; literary, dramatic, musical, artistic.
(book, play, music composition, painting, etc.)
-  Exclusive rights to reproduce the work, and to publish, translate, and perform it
-  Software – literary work e.g., North Star Systems Inc. Tattle Backend System Software
-  Automatic at creation
-  Duration in Canada = Life of creator + 50 years

4. Trade Secret

🛡️ Confidential and valuable business information

📁 Value is tied to your ability to keep it secret -- and inability of others to replicate

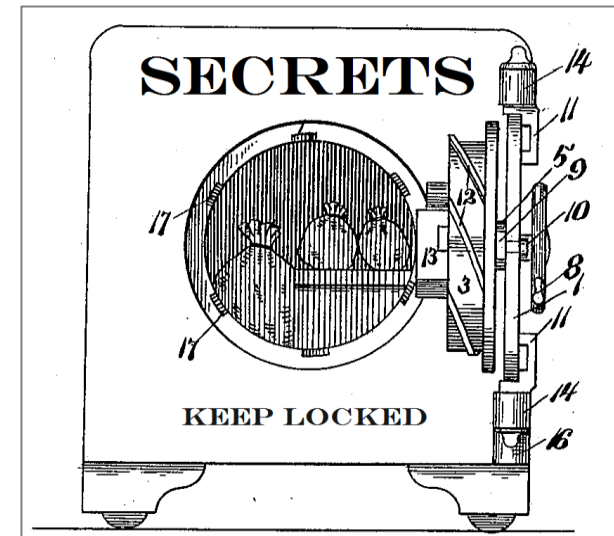
📄 No registration, no formal rights

🕒 Lasts as long as confidentiality is maintained

📍 Never disclose without patenting!
(Consider costs and benefits)



WIPO Proof Token



Safe, W. J. Barnes, 1900

[No Secret, No Remedy: Tips for Preserving your Trade Secret Rights](#) (Bereskin & Parr, 2019)

[How can you protect your software as a trade secret?](#) [Krevolin Horst (USA)]

5. Industrial Designs (ID)

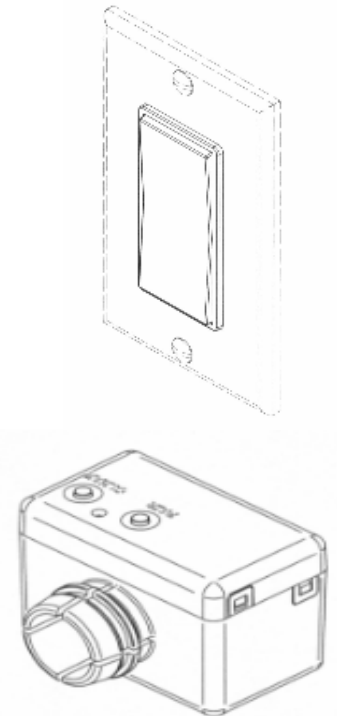
🛡️ Unique appearance of a product - shape, configuration, pattern, ornament or any combination

🚫 Right to exclude others from making using or selling

🕒 Up to 15 years from filing date

📄 Registration; 12-month grace period


🌐 [Hague international filing system](#)



[Light Switch](#) and [Controller](#)
(Levven Automation Inc.)

6. Plant Breeders' Rights (PBR)

 Protects the propagating materials of new plant varieties

 Right to exclude others from using their protected plant variety

 Register through CFIA: www.inspection.gc.ca

 Trees and vines = up to 25 years
Other plants varieties = up to 20 years

 12-month grace period for selling





3 Common IP Mistakes

1. Thinking about IP too late
2. Assuming IP laws, regulations and practices are the same everywhere
3. ...

International IP Filing Systems

Trademarks: [Madrid Protocol](#)

Patents: [PCT](#)

Industrial Designs: [Hague System](#)




3 Common IP Mistakes

1. Thinking about IP too late
2. Assuming IP laws, regulations and practices are the same everywhere
3. Disclosing too much information, too soon





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- 3 Common IP Mistakes
- → **Developing an [IP Strategy for your Business](#)** 
- CIPO's Free Tools & Learning Resources



What is your Commercialization Plan?

Ways to drive revenue, with IP:



Make / sell products or services



[License or franchise your IP](#)



Sell your IP



Attract acquisition offers

What is an IP Strategy for Business?

- Patent strategy \neq IP strategy
- A plan to maximize return on your investments in innovation.
- Decisions on **what, where and when** to protect, use, monitor, and enforce IP rights.
- Consistent with, and will help achieve, business goals.
- Rationale for investing \$ in IP \rightarrow to drive revenue.
- A risk management tool - avoid infringing others' IP, identify competitors and potential partners.
- Should evolve as the business grows and changes.

What Approach will your IP Strategy take?

- 1. Protect Technical Aspects** Seek patent protection and guard trade secrets
→ shut competitors out
- 2. Focus on Brand Value** Register trademark and/or copyrights. → protects value of brand recognition and customer loyalty
- 3. Protect IP for Offensive Purposes** Aggressively enforce IP rights against competitors
- 4. Protect IP for Defensive Purposes** Rely on your IP rights if competitors sue
→ Deter by threat of countersuit, or cross-license IP
- 5. Combination of IP rights** Depending on product / service lifespan, relative competitiveness of sector, and budget
→ Layers of IP protection
- 6. Do not Protect IP (Open Innovation)** Share in public domain → focus on first mover advantage, build customer base and brand loyalty through service

[Shopify - open strategy](#) (2018)


[Shopify shows new interest in patenting](#) (2020)

IP Strategy – 8 Tips



1. Develop your IP strategy in-house
2. Take stock of your IP: use [CIP0's Inventory Checklist](#), and identify any 3rd Party IP
3. Add advice from [Registered Patent Agent, Trademark Agent](#), or other [IP professional](#)
4. Determine if you have legal rights in each market to use IP that gives you competitive advantage
 - “freedom to operate” (legal opinion)
 - Assess strength & scope of protection

IP Strategy – 8 Tips cont.

5. Ensure adequate coverage of IP issues in employee, contractor, and other business agreements → e.g., ownership, disclosures
6. Budget resources to **monitor & enforce**  **your IP rights**
7. Integrate IP Strategy into overall Business Plan
→ e.g., financial, HR, operating and marketing plans
8. Update your IP Strategy periodically

IP Strategy Planning Tool → [LINK](#)



[Sample Guide](#)





Get the most out of everything your business produces!

Get started by planning a comprehensive intellectual property (IP) strategy by using the Canadian Intellectual Property Office's (CIPO) online self-assessment tool.

You can integrate your IP strategy into your business plan to help maximize the value of your IP and protect your competitive advantage.

All information is submitted anonymously and will be administered in accordance with the *Privacy Act*. No information you provide will be attributed to you personally in any report resulting from your answers.

4 reasons to complete the intellectual property self-assessment

-  Learn what information to consider in your IP strategy.
-  Discover what IP is worth protecting, and ways to protect it.
-  It's free, fast and easy, and will take most users no more than five minutes to complete.
-  You get a detailed, printable guide with IP considerations for anytime reference.

START
HERE

Free Online IP Tools and Resources:

Canada.ca/CIPO





Fact Sheets → LINK (IP Toolbox)

INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT CANADA

PATENTS

SHOULD I APPLY?

A patent is a legal right to prevent others from making, using or selling your invention for up to 20 years in the country or region where your patent is granted.

You can patent product, processes, methods, chemical compositions, and improvements or new uses of any of these.

Patents can be very valuable. You can sell them, license them or use them to make money by licensing your invention.

The International Patent Classification (IPC) is a system for classifying inventions. It is used by patent offices around the world to help find relevant prior art.

1. **Novelty** - Is your idea new?
2. **Inventive step** - Is your idea a significant improvement over what is already known?
3. **Useful** - Does your idea have a practical application?

In Canada, a patent is granted to the first applicant to file an application for an invention. It is a legal right to exclude others from making, using or selling your invention.

INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT CANADA

TRADEMARKS

WHAT IS YOUR BRAND?

Evaluating brand image and identifying your trademark is an important part of your business. Your trademark, including the goods or service names, slogans, logos, logos, marks of distinguishing images, logos, marks, words, trade dress, packaging or sounds, protects a brand image that becomes your promise to your customers.

A distinctive brand can increase customer loyalty and give you an edge over your competition.

SECURING YOUR TRADEMARK

Five reasons to register your trademark:

1. It provides proof of ownership.
2. It gives you the exclusive right to use the trademark.
3. It allows you to sue for trademark infringement.
4. It allows you to license your trademark.
5. It allows you to sell your trademark.

INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT CANADA

Cleantech and intellectual property

As the world is moving toward cleaner technologies, Canada continues to take on the role of a global technology leader. The benefits abound, including, for instance, reaching our climate change goals and more well-paying jobs across the country.

CIPO becomes a WIPO GREEN partner!

In 2016, the Canadian Intellectual Property Office (CIPO) became one of only two WIPO GREEN partners in all of Canada. WIPO GREEN is an interactive marketplace that promotes innovation and the diffusion of green technologies. The WIPO GREEN network facilitates commercial relationships and transactions by connecting green innovators with investors and business partners.

INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT CANADA

INDUSTRIAL DESIGNS

SHOULD I REGISTER MY DESIGN?

Evaluating your creation and identifying your industrial design is an important part of your business. A novel product design can give you an edge over your competition.

SECURING YOUR DESIGN

Five reasons to register your design:

1. It provides proof of ownership.
2. It gives you the exclusive right to use the design.
3. It protects your products against manufacture, sale, rent or importation by others in Canada.
4. It gives you a legally enforceable right to sue your product's design to make it gain a marketing advantage.
5. It protects the value of your design.

SELLING AND LICENSING

Increase your revenue and market share by selling or licensing your design to industry partners interested in benefiting from it.

ENFORCING YOUR RIGHTS

Monitor the marketplace for any unauthorized use of your industrial design. Enforcement is the responsibility of the industrial design owner.

CIPO basic fees

Examination fee	\$400
Maintenance fee	\$300

For more information on industrial designs, please go to Canada.ca/industrialdesigns or contact our Client Service Centre at 1-866-997-9726.

INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT CANADA

COPYRIGHT

WHAT CAN I DO WITH MY COPYRIGHT?

Evaluating and identifying your original works can be an important part of your business. This is because you will make use of the copyright of the work you publish. You should also think about how to benefit from the ownership of that copyright and the types of licensing or royalty arrangements you may want to explore.

PROTECTING YOUR COPYRIGHT

Canadian law protects all original creative works, without the conditions set out in the Copyright Act having been met. Simply put, the Act prohibits others from copying your work without your permission. It also provides a means to protect copyright owners while promoting creativity and the orderly exchange of ideas. However, it also protects moral rights such as the right to the integrity of the work.

SELLING AND LICENSING

License your copyright or part of a copyright work for exclusive or limited use to interested parties. A written agreement that details your copyright can be used.

ENFORCING YOUR RIGHTS

Monitor the marketplace for any unauthorized reproduction of your work. Enforcement is the responsibility of the copyright owner.

CIPO basic fees

Online application fee	\$50
Paper application fee	\$65

For more information on copyright, please go to Canada.ca/copyright or contact our Client Service Centre at 1-866-997-9726.

INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT CANADA

Hiring an intellectual property professional

Intellectual property (IP) represents some of the most important and valuable business assets that can impact competition, financing and international growth. While IP can seem like a complex subject, there are many resources at your disposal to help you.

An IP professional, such as a patent agent, a trademark agent or an IP lawyer, can help you identify and file your IP, assist with the development of a strategy and help you budget to protect and enforce your IP in Canada and around the world. They can also advise on proper use of IP to maintain rights, marking, licensing, assignment and other strategies to maximize the value of your IP.

Canada recognizes clean innovators!

Canadian companies have for their efforts and exceptional research efforts. CIPO has named 100 Clean Innovators in its 2016 Global Impact Awards. These innovators are highlighted in the Global Impact Awards 2016.

Stay informed on clean innovation efforts by email. Register for the Clean Innovators Canada newsletter. Canada.ca/cleaninnovators

INNOVATION, SCIENCE AND ECONOMIC DEVELOPMENT CANADA

Choose your IP professional

Consult and use the Canadian Intellectual Property Office (CIPO)'s list of registered Canadian patent or trademark agents. Only the individuals or firms listed on CIPO's website are qualified and certified to act on your behalf with CIPO. These agents often have access to an extensive network in foreign jurisdictions to better assist you and they can also help you avoid any misleading services or scams.

Speak with professionals to find the right person or firm for the job. Contacting an IP professional early on can ensure you avoid potential costly mistakes. Make sure that they understand your business strategy, your area of technology and that they will be able to help you secure your IP rights in the countries where you wish to obtain protection.

Questions you may wish to ask:

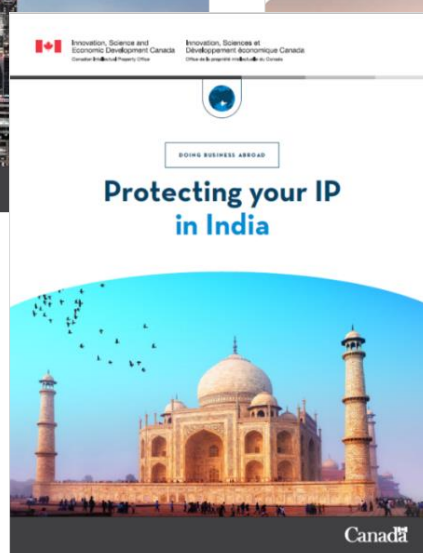
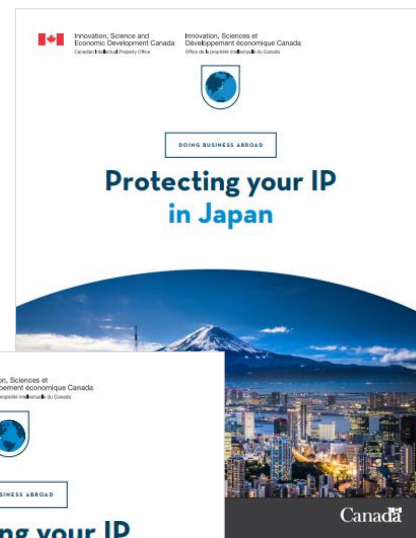
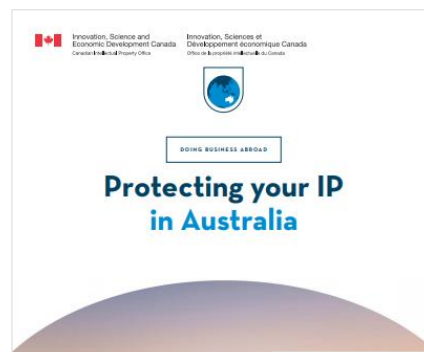
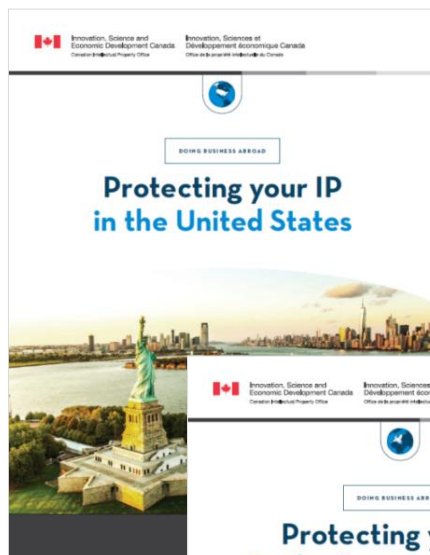
1. What information should be gathered and brought to the first meeting? How much does it cost and what are the timelines? What should I do to avoid doing before a first meeting to discuss my case?
2. For trademark agents: Ask them to outline their experience in applying for trademarks.
3. For patent agents: Ask them to outline their experience in applying for patents. Do they qualify as a small entity? Should I pay for accelerated examination? Does the fast-tracked patent application for clean technology apply to my invention?



Exporting? Protect your IP Abroad

→ [LINK \(CIPO's Country Guides\)](#)

→ [LINK \(CIPO Youbinar\)](#)

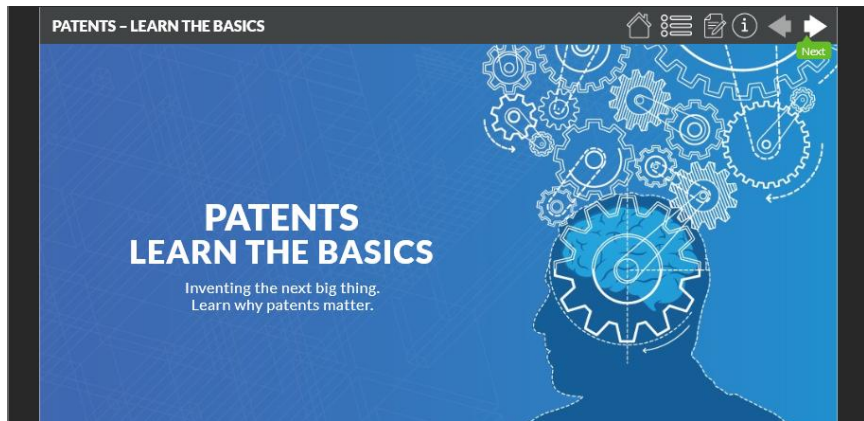




On Demand eLearning Modules

→ [LINK \(CIPO's IP Academy\)](#)

→ [LINK CIPO Youbinars](#)



Contact CIPO



Canada.ca/ip-for-business



Client Service Centre **1-866-997-1936**



In-person meetings, by appointment



Regional IP Advisor (Prairie and NWT)

marnie.fyten@canada.ca



Programs and support for Canadian businesses and innovators: **Canada.ca/business**



@CIPO_Canada



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