



# Patent litigation in Canada v. the United States

How the system differs south of the border compared to the home front.

The following 10 aspects of Canadian patent law and practice that contrast with that of the United States will be of interest to Canadian counsel who have occasion to discuss patent litigation in Canada with U.S. colleagues.

## 1. NO JURIES

Federal Court judges, sitting alone, try most patent actions in Canada. There are no juries in the Federal Court. The Federal Court has exclusive jurisdiction over conflict (interference) cases and impeachment cases, and concurrent jurisdiction with the provincial superior courts over patent matters generally. There is one Federal Court that sits across Canada and operates with a single set of rules, one group of judges, and one body of case law.

## 2. RE-EXAMINATION IS AN UNUSUAL DEFENCE TACTIC

It is relatively rare for a defendant in a patent infringement action to use the tactic of seeking re-examination in the Patent Office. The process is loaded in favour of the patentee, e.g., the patentee alone has the right of appeal, and re-examination does not automatically stay a pending action for infringement.

## 3. THE TRIAL JUDGE DOES NOT MONITOR THE CASE

The trial judge is not assigned until after a pretrial conference when the trial date is set. Therefore, the trial judge will not be involved as the case proceeds to trial except by coincidence.

## 4. NO COMPARABLE DEPOSITION PRACTICE

In Canada, there is no deposition practice

comparable to that in the U.S. Instead, questioning of adverse parties is limited to one individual selected by the adverse party as its representative, who is to become informed on the matters in issue and obtain relevant information from other persons under the control of the examined party. At trial, an examining party may read selected questions and answers as evidence. Where the inventors have assigned the patent in issue, the inventors can also be examined for discovery. However, the discovery of an inventor cannot be read as evidence at trial, although it may be used for cross-examination of the inventor. There is no discovery or examination of adverse expert witnesses prior to trial.

## 5. NO MARKMAN HEARINGS

Unlike the Markman practice in the U.S., the Federal Court in Canada does not construe the claims of the patent separately and prior to the trial of the issues of validity and infringement. Claim construction is done at trial, with the benefit of expert evidence about the common general knowledge of a skilled person and an understanding of the prior art or allegedly infringing article that gives rise to the disputed claim construction.

## 6. SUMMARY JUDGMENT IS UNLIKELY

Without an advance ruling on claims construction in a Markman-type hearing and with the difficulty of establishing facts without a trial, there is a judicial reluctance to grant summary judgment prior to trial in a patent case. Summary judgment is intended to weed out only

those claims or grounds of defence that clearly have no chance.

## 7. "PURPOSIVE CONSTRUCTION" OF PATENT CLAIMS

Canada follows a rule of "purposive construction" similar to rules of claims construction in the U.K. The claims are read in the context of the specification, as a person skilled in the art would have understood them at the date of publication. In Canada, the prosecution history of the patent is largely irrelevant to the construction of the claims. The court does consider the extent to which equivalents to claim elements fall within the scope of the claims as part of its construction of the claims.

## 8. NO "FRAUD ON THE PATENT OFFICE"

In Canada, inequitable conduct before the Patent Office during prosecution is compartmentalized rather than general in scope. There are two branches of the duty of good faith: 1. Not to make a material misstatement in the petition for patent or make additions or omissions from the specification wilfully for the purpose of misleading; 2. To answer in good faith all requisitions of the Patent Examiner. Failure in the former may result in an issued patent being declared void. Failure in the latter may result in a patent application being abandoned, but will not invalidate an issued patent.

## 9. NO TREBLE DAMAGES

Our courts do not award treble damages. Punitive damages are reserved for exceptional cases of egregious conduct.

## 10. COSTS FOLLOW THE EVENT

The general rule in Canada is that the successful party is entitled to reimbursement of part of its costs. Increased costs are available if a written settlement offer is made that is better than the judgment. ■

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