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Estoppel based on patent prosecution history in Canada: The Pandora's box is opened

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Nearly twenty years ago, the Supreme Court of Canada[1] rejected the theory of estoppel based on a patent's prosecution history, more commonly known as "file wrapper estoppel"[2]).

At the time, Justice Binnie wrote, "[…]*purposive construction, which keeps the focus on the language of the claims, seems also to be inconsistent with opening the pandora's box of file wrapper estoppel*".

However, in December 2018, section 53.1 was added to the Patent Act (the "*Act*"), which allows for references to communications with the Canadian Intellectual Property Office ("CIPO") "*to rebut any representation made by the patentee in the action or proceeding as to the construction of a claim*".

In *Canmar Foods Ltd* v. *TA Foods Ltd* 2019 FC 1233, Justice Manson of the Federal Court rendered the first decision on file wrapper estoppel in Canada since this new provision came into force. The decision was handed down in the context of a motion for summary judgment.

Salient points

When a patentee amends the claims to limit their scope, the elements thus introduced are essential elements of the claims.
Section 53.1 of the Act can apply even if the patentee has not adopted a construction that contradicts a previous statement.
Where the patentee refers to the "file wrapper" of another jurisdiction (in this case, the US) during prosecution of the patent application in Canada, they make that file wrapper relevant for the purposes of applying section 53.1 of the *Act*.
The Federal Court appears to be loosening the jurisprudence applicable to motions for summary judgment.
The party challenging a motion for summary judgment must submit the best evidence available.
The construction of certain terms of the claims may be made by a judge even in the absence of expert evidence.

Background

Canmar Foods Ltd. ("Canmar") holds a patent on a method for roasting oil seeds as well as products derived therefrom (the "Patent"). The method claimed in the Patent consists of foursteps,

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including heating the seeds to a certain temperature in a "stream of air" and transferring the heated seeds "into an insulated or partially insulated roasting chamber or tower."

During prosecution of the Patent, the aforementioned steps of heating the seeds in a "stream of air" and transferring the heated seeds had been added to the claims; this amendment to the claims was made to reduce the scope thereof. While making this amendment, Canmar mentioned that the claims “correspond substantially” to those submitted during prosecution of a related US patent application.

Canmar sued TA Foods Ltd. ("TA") for patent infringement. TA made a motion for summary judgment on the grounds that the method employed by TA does not include heating the seeds in a "stream of air," nor does it include transferring the heated seeds "into an insulated or partially insulated roasting chamber or tower."

In support of the motion for summary judgment, the parties both produced affidavits. However, no expert evidence as to the construction of the terms of the Patent by a person of ordinary skill in the art ("POSITA") was presented.

Issues before the Federal Court

1. Should the Court grant the motion for summary judgment or leave these questions to the trial judge?
2. Can the Court use the file wrapper of the corresponding US patent application to construe claims under section 53.1 of the *Act*?
3. Can the Court conclude on the basis of the file wrapper that the elements "stream of air" and "into an insulated or partially insulated roasting chamber or tower" are essential elements of the patent claims?
4. Is the evidence presented sufficient to construe the terms in question and to conclude that they are absent from the defendant's method?

The judgment

In his judgment, Justice Manson first considers the criteria applicable to a motion for summary judgment. The case law indicates that when certain issues require assessing the credibility of witnesses, these issues should be left to the trial judge. Justice Manson refuses to apply these principles, which had been elaborated by the Federal Court of Appeal in *MacNeil Estatec v. Canada (Department of Indian and Northern Affairs)*, 2004 FCA 50. Justice Manson further writes:

The Supreme Court held that “summary judgment rules must be interpreted broadly, favouring proportionality and fair access to the affordable, timely and just adjudication of claims” (Hryniak, above at para 5) […]There is no determinative test for summary judgment. One articulation is that the test is not whether the Plaintiff cannot possibly succeed at trial, but whether the case is so doubtful that it does not deserve consideration by the trier of fact at a future trial […][3].

He adds that the party defending an application for summary judgment cannot simply claim that the applicant has not met its burden and speculate as to grounds that could possibly be raised on the merits:

Parties are required to put their best foot forward. The responding party cannot rely on what might be adduced as evidence at a later stage, but must set out specific facts and adduce evidence showing that there is a genuine issue for trial (Federal Courts Rules, r 213; Sterling Lumber Co v Harrison, 2010 FCA 21 at para 8)[4].

Justice Manson refers to the principles of claim construction developed by the Supreme Court in *Free world trust* and to the fact that Justice Binnie refused to apply the doctrine of file wrapper estoppel; however, Justice Manson then refers to the newly added section 53.1 of the Act, and adds:

This new provision is specific to using Canadian prosecution file histories to rebut any position taken

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on claim construction.[5]

"However, in this case, I find that the patentee specifically referred to the corresponding US Application prosecution history and acknowledged that the amendments to the claims in the '376 file history were made to overcome novelty and obviousness concerns as raised in the US Application prosecution history. Accordingly, the Court may look at the US Application prosecution history as part of a purposive construction of the claims of the '376 Patent."[6]

The Court in part imports the principles of US law to determine the scope of section 53.1 of the Act. Quoting the United States Supreme Court, Justice Manson adds:

"By amending the application, the inventor is deemed to concede that the patent does not extend as far as the original claim" (Festo at 737-738)[7].

Consequently, Justice Manson concludes that the elements of heating the seeds in a "stream of air" and transferring them "into an insulated or partially insulated roasting chamber or tower" are essential elements of the claim.

The plaintiff argued that the Court cannot construe the terms of the Patent in the absence of expert evidence demonstrating how said terms would beconstrued by the POSITA.

The Court rejected this argument:

Based on the claim, the disclosure, and the prosecution history of the '376 Patent, I find that expert evidence is not required for me to be able to purposively construe the two elements of Claim 1 that are at issue.[8]

Although not explicitly stated in the judgment, it can be reasonably assumed that, had the plaintiff submitted expert evidence regarding claim construction by the POSITA which supported a finding of infringement, the Court would have possibly dismissed the motion for summary judgment. In the absence of such evidence, the Court seems to take for granted that it does not exist (since the plaintiff had to "put their best foot forward").

Therefore, patent agents in Canada must be cautious in their representations to CIPO and especially when referring to the prosecution of corresponding applications and patents in other jurisdictions. An admission that an amendment was made to limit the scope of a claim in response to prior art will likely result in the application of section 53.1 of the *Act*.

Unsurprisingly, the Federal Court interprets section 53.1 of the Act as a desire on the part of the legislature to introduce the doctrine of file wrapper estoppel into Canadian law. It will, however, be interesting to see whether its application will be limited to merely rebutting "*any representation made by the patentee in the action or proceeding as to the construction of a claim in the patent,*" or if, as Justice Manson appears to have done, it will be used to support the notion that the "prosecution history aids in the purposive construction of the disputed elements"[10] of the claims[11].

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1. Free World Trust v. Électro Santé Inc., 2000 SCC 66, para 66.
2. Despite this clear decision, the Federal Court has accepted / refused variations of this doctrine in the past: see *interalia Distrimedic Inc. v. Dispill Inc., 2013 FC 1043*, para 210; *Eli Lilly Canada Inc.* v. *Mylan Pharmaceuticals ULC*, 2015 FC 125, para 154; and *Pollard Banknote Limited* v. *BABN Technologies Corp.* 2016 FC 883 paras 238 and 239.
3. Paras 46 and 48
4. Para 50
5. Para 62
6. Para 70
7. Para 67

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8. Para 81
9. See para 79 *“Regardless of the US Application prosecution history, I do not see how the process described in the Popowich Affidavit could possibly constitute heating the oil seed “in a stream of air” as that term is used in Claim 1 of the ‘376 Patent.”*
10. Para 85
11. On the other hand, Justice Mansonwrites the following at paragraph 84:
    The Plaintiff argued that section 53.1 is not engaged, as the Plaintiff did not make any representation as to the construction of Claim 1.Further, the Plaintiff argued that the Court is not in a position to determine whether the disputed claim elements are essential or not. However, as submitted by the Defendant, the Plaintiff made multiple representations in its written submissions to the effect that the language of Claim 1 is not limited to a particular type or source of heating.
    Note, however, that these representations would have only been submitted in response to the motion for summary judgment, which would certainly have referenced the file wrapper before any representations had been made by the plaintiff.

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