

Feb 26, 2021

The 411 on File Wrapper Estoppel in Canada

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In Canada, it has long been understood that when it comes to the construction of claims in a patent litigation matter, only information provided by the “four corners of the specification” was admissible in the court proceeding. This means that the claims were purposively construed with a mind willing to understand and based on the teachings of the description. More than 20 years ago, the highest court in Canada affirmed that allowing extrinsic evidence, in the form of admissions made during the prosecution of the Canadian patent application, were strictly prohibited for the purposes of construing the claims (*Free World Trust v. Électro Santé Inc.*, 2000 SCC 66). On October 30, 2019, however, section 53.1 of the *Patent Act* changed this point of view significantly. In short, Canada now has file wrapper estoppel and the courts are actively figuring out the bounds of how far that goes.

Section 53.1 of the *Patent Act* states:

In any action or proceeding respecting a patent, a written communication, or any part of such a communication, may be admitted into evidence to rebut any representation made by the patentee in the action or proceeding as to the construction of a claim in the patent if

- (a) it is prepared in respect of
 - (i) the prosecution of the application for the patent,
 - (ii) a disclaimer made in respect of the patent, or
 - (iii) a request for re-examination, or a re-examination proceeding, in respect of the patent; and
- (b) it is between
 - (i) the applicant for the patent or the patentee; and
 - (ii) the Commissioner, an officer or employee of the Patent Office or a member of a re-examination board.

The first case that addressed this section of the *Patent Act* was *Canmar Foods Ltd. v. TA Foods Ltd.*, 2019 FC 1233, where the prosecution history of a related U.S. patent application was admitted as evidence in the Canadian proceeding. The Court found that because the Patentee (i) expressly acknowledged that the claims of the Canadian patent were amended to be substantially the same as the claims in the related U.S. application; and, (ii) admitted that the amendments had limited the scope of the claims to overcome novelty and obviousness rejections, the U.S. prosecution history was considered admissible extrinsic evidence in the construction of the Canadian claims. This was considered a broad finding, as the Patentee had not referred to the U.S. patent by number or other particularly identifying information. The lack of this particular identification was addressed on appeal.

In *Canmar Foods Ltd. v. TA Foods Ltd.*, 2021 FCA 7, the Federal Court of Appeal held that the Federal Court “should have refrained from taking into consideration the prosecution history” of the corresponding U.S. application, on the basis that it was insufficient to incorporate the foreign prosecution history by reference because to “incorporate material by reference, the host document must identify with detailed particularity what specific material it incorporates and clearly indicate where that material is found in the various documents.” Unfortunately, whether or not a foreign prosecution history would be admissible under section 53.1 of the *Patent Act* if the Patentee had identified it with the required “detailed particularity” was not dealt with.

The inclusion of foreign prosecution histories under section 53.1 of the *Patent Act* was also considered in *Gemak Trust v. Jempak Corporation*, 2020 FC 644. In this case, Jempak wished to invoke this section in respect of representations made by Gemak before the United States Patent Office which were contradictory to its position in this proceeding. Of note, while the same art was cited during patent prosecution in the United States and Canada, Gemak made statements regarding claims construction in the United States only, and simply amended the claims in Canada. Since the representations were made only in the United States file wrapper, in an effort to introduce this file history in the proceeding, Jempak argued that the language of section 53.1 is non-limiting and therefore does not prohibit consideration of foreign prosecution files. The Court, however, disagreed, submitting that the terms “Commissioner” and “Patent Office” are clearly defined in the *Patent Act*. Thus, it would be “difficult to see how this Court could endorse an interpretation that would render paragraph 53.1(1)(b) completely superfluous or even contradict its plain reading” [85]. It was concluded that “[i]f Parliament had intended that communications prepared in respect of the prosecution of the application for a foreign patent could be admitted, clearer language would be required to effect that result” [86].

Finally, in *Allergan Inc. v. Sandoz Canada Inc.*, 2020 FC 1189 (“Allergan Inc.”), it was queried as to whether prosecution history can be used to rebut representations made by a licensee, rather than the patentee, in a court proceeding. In this case, Kissei Pharmaceutical, the patent owner, was also a defendant to this action, but crucially, Kissei took no position on the infringement issue. Although the prosecution history for the patent application provided evidence that certain elements of the claims were deemed essential by Kissei during patent prosecution, Allergan, the exclusive licensee, argued in court that they were not. Moreover, while Sandoz wished to invoke section 53.1 of the *Patent Act* to rebut the representations regarding claim construction that were made by Allergan during the court proceedings, Allergan argued that the prosecution history could not be introduced because it can only be used to rebut representations made by the “patentee” and the patentee, Kissei, had not made any representations in the proceeding. Identifying a major loophole in this section of the *Patent Act*, a loophole which Parliament was made aware of prior to enactment of this section (see paragraph 131-132), the Court held that section 53.1 of the *Patent Act* only permits use of prosecution history to rebut a representation made in litigation by a patentee, not representations made by a licensee.

In view of these recent cases regarding new section 53.1 of the *Patent Act*, it appears that this section will only allow for evidence in the form of a Canadian file wrapper to be admitted into a proceeding to rebut the representations made by the patentee if the party making representations in respect of the construction of the claims is the patentee. This provides a potential mechanism for patentees to avoid troublesome file wrappers from becoming part of a Canadian proceeding by simply having a licensee be the party making the representations regarding claim construction. Moreover, as the inclusion of foreign file wrappers appears to be prohibited based on the “plain reading” of the *Patent Act*, patentees can, again, avoid contradictory claims construction before the Patent Office and the court by having all statements made during foreign prosecution, and simply amend the claims to coincide with these arguments in Canada without commentary. As noted in *Allergan Inc.*, these constitute “glaring example[s] of the mischief that is implicitly permitted by the current wording of subsection 53.1(1).” All in all, these decisions serve as a constant reminder that being mindful of statements made before any Patent Office during patent prosecution should be an ongoing practice.

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