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The Times They Are a-Changinâ€™: Summary Judgment in the Federal Court

Patent infringement actions are inherently complex and technical. They often involve complex scientific inquiries and expert evidence. The Federal Court has historically held that summary judgment—which does not include live evidence—is generally not the preferred means of resolving patent infringement actions. Instead, such determinations are best left to a trial judge who has had the opportunity to hear all of the evidence live (e.g. *Suntec Environmental Inc v Trojan Technologies Inc*).

In early April, we commented on the Federal Court's recent use of a summary trial to resolve a patent infringement dispute. The abbreviated procedure of a summary trial addresses many of the Federal Court's concerns with summary judgment (e.g. lacking live evidence). However, summary trials have not displaced summary judgment motions completely.

Justice Manson's decision in *Canmar Foods Ltd v TA Foods Ltd* ("*Canmar*"), released in late 2019, was one of the first patent infringement actions in several years to be resolved through summary judgment. While this case, which is still under appeal, did not involve expert evidence, it was a signal that parties should still consider summary judgment as an option.

More recently, after a full 21-day trial on all issues, Justice Grammond noted that parties "should contemplate bringing a motion for summary judgment or summary trial" because "[h]ad the parties done so in this case, a considerable amount of judicial resources would have been saved, and each party's legal costs would have been substantially reduced" (see *Bauer Hockey Ltd v Sport Maska Inc* ("*Bauer*"). Another signal that the right circumstances might warrant summary adjudication.

Justice Lafrenière's decision in *Gemak v Jempak* ("*Jempak*") is, however, the strongest signal that the Federal Court is willing to consider summary judgment, notwithstanding complex and technical subject matter.

Background

Jempak was a patent infringement action related to detergent pods. The plaintiff alleged that the defendant's dishwashing detergent products infringed the claims of two of its patents.

These patents related generally to “a dishwashing detergent composition with encapsulated percarbonate granules” where the percarbonate is “encapsulated by a blend comprising carboxymethyl cellulose [CMC] and two other ingredients”. The defendant alleged that once the claims were properly construed it was uncontested that its products “do not contain CMC in the blend that encapsulates the percarbonate” and, consequently, there is no infringement. It moved for summary judgment to dismiss the plaintiff’s action.

The Summary Judgment Motion

Justice Lafrenière acknowledged that the Federal Court “has been generally reluctant to grant summary judgment in patent infringement actions”. However, he granted summary judgment on the basis that there was “no substantial conflict” in the expert evidence and the “[moving party’s] expert [was] the only witness who provides” evidence on the relevant issues.

The Evidence

Unlike *Canmar*, both parties in *Jempak* advanced expert evidence. However, the Court was critical of the plaintiff’s approach. It noted that the plaintiff relied on expert evidence that attempted to contradict the defendant’s experts, rather than advancing its own evidence on relevant issues—i.e. the plaintiff chose to “hide behind arguments about [the defendant] not meeting its burden”. Ultimately, the Court rejected the plaintiff’s expert evidence, paving the way for summary judgment.

On the issue of claims construction, the Court characterized the plaintiff’s expert as “evasive and defiant”; concluding that she “ misapprehended her role as an independent witness” and “ conducted herself like an advocate”, which “taint[ed] her entire evidence”. Turning to the defendant’s evidence, the Court found that the “construction proposed by [the defendant] of the terms at issue [was] common sense and correct”.

On the issue of infringement, the Court accepted both the defendant’s fact evidence and expert evidence (testing the relevant products). The Court rejected the plaintiff’s critiques of the defendant’s testing as “unfounded” and accepted the defendant’s argument that the competing testing methodology of the plaintiff’s expert was inconclusive of infringement. On a balance of probabilities, the defendant did not infringe. As such, the Court granted summary judgment and dismissed the plaintiff's action.

The implications of *Jempak*

While the Federal Court of Appeal has yet to weigh in on *Canmar* and *Jempak*, these decisions, along with Justice Grammond’s comments in *Bauer*, indicate that the Federal

Court will consider increased use of summary judgment procedures in the right circumstances.

Those circumstances might mirror *Canmar*, where neither party proffered expert evidence, and the Court did not require expert assistance to understand and construe the claims at issue. However, in light of *Jempak*, those circumstances might also include cases where there is conflicting expert evidence, but that conflict can be easily resolved without the need for live evidence. As Justice Lafrenière notes, issues of credibility should not be decided on motions for summary judgment, but the mere existence of apparent conflict in the evidence does not preclude summary judgment—judges should take a "hard look" at the merits of the case.

Jempak is also a strong reminder that the party resisting summary judgment is still required to put its best foot forward – i.e. set out specific facts and adduce evidence showing that there is a genuine issue for trial. The plaintiff in this case made the strategic decision to solely focus on attacking the defendant's evidence rather than advancing its own positive evidence. As noted above, the Court was critical of this approach:

> Gemak relied on expert evidence seeking to contradict Jempak's experts, and opted not to have its experts advance evidence on the common general knowledge at the relevant time, or a proposed construction of the claims. Moreover, despite having samples, methods and expertise available to it, Gemak elected to do no tests that go to the heart of the infringement issue. It is no answer to claim that other evidence may be available at trial to contradict evidence adduced on the motion.

Lastly, in the event the defendant in *Jempak* was unsuccessful in its motion for summary judgment, it sought an order directing a summary trial on the relevant issues. While the Court did not address this alternate request, it is a reminder that the party bringing a summary judgment motion can insulate itself against an unsuccesful motion in marginal cases by also asking that the Court exercise its discretion, in the alternative, to determine the relevant issues by way of summary trial.