

Canadian Patent Law Primer

TABLE OF CONTENTS

1.	INTE	RODUCTION	1		
2.	ANATOMY OF A PATENT				
	2.1 2.2	The Title Page The Abstract	2 2		
	2.3	The Claims			
		2.3.1 the form of the claim			
		2.3.2 the preamble to the claim			
		2.3.4 Dependent Claims			
	2.4	The Description (Disclosure)			
	2.5	The body of the description	4		
_	2.6	The Drawings	5		
3.	INTE	ERNATIONAL AGREEMENTS AFFECTING PATENTS			
	3.1	The Paris Convention - 1883			
	3.2	World Trade Organization			
4	3.3	Patent Co-operation Treaty			
4.		STATUTORY SUBJECT MATTER			
	4.1	Novelty			
	4.2 4.3	Utility			
5.		Non-Obviousness or Ingenuity			
J.					
	5.1	An inventor5.1.1 First-to-File versus First-to-Invent			
	5.2	The Application			
	5.2	5.2.1 Prosecution			
		5.2.2 The "Office Action"			
		5.2.3 Laying Open of the Application			
	5.3	Money	12		
6.	CLA	IM CONSTRUCTION	13		
	6.1	The Addressee			
	6.2	Essential and Non-essential elements			
_	6.3	File Wrapper Estoppel			
7.	INF	RINGEMENT	15		
	7.1	Intent to Infringe	16		

 1	6
	10

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1. Introduction

Patents protect inventions: either the functionality of a machine, a composition of matter or a process. In Canada, patent law is governed by the Patent Act, R.S.C. 1985, C. 33 (3rd. Supp.).

The Federal Government grants patents to inventors or assignees of inventors. Every patent grants to the patentee and its assignees for the term of the patent, beginning at the grant of the patent, the exclusive right, privilege and liberty of making, constructing and using the invention and selling it to others to be used.¹

The right to exclude others is exercised by suing infringers or granting licenses. It is up to the patent owner to enforce the patent.

A patent is sometimes described as contract between the inventor and the government. In consideration for the inventor disclosing the invention in the patent and making it available to the public after the expiration of the patent, the government grants to the inventor the right to exclude others from making, using or selling the invention during the term of the patent.

2. Anatomy of a Patent

Every patent has a similar structure. The entire patent is called the "specification". The two main parts of the patent are the "description" (sometimes called the "disclosure") and the "claims".

The description and the claims serve two very different purposes:

- (a) the description tells the public how the make or use the invention when the patent expires; and
- (b) the claims describe what is not to be made or used during the term of the patent.

Claims are sometimes analogized as a series of "fences" surrounding and protecting the valuable invention. The claims define the metes and bounds surrounding the protected invention, much like surveying terminology defines the metes and bounds to a piece of land containing gold. The fences must be clearly defined in order to give the necessary warning. Property which is not owned by the inventor must not be fenced in.²

Claims are usually drafted with multiple, dependant claims. As such, they are like a set of nested fences, each fence surrounding a more particularized form of the invention. If

Patent Act. s. 42

Minerals Separation North America Corporation v. Noranda Mines Ltd. [1947] Ex. C.R. 306 (per President Thorson) at pp. 322-323 affirmed (1949), 12 C.P.R. 99 per Kelloch J. at p. 202 (S.C.C.).

one of the outer most fences fails3, the inner ones remain to protect the invention. The larger fences are the broad claims; the narrowest fences are the narrow claims.

Another way of considering a claim is to describe them by use of a Venn diagram, a mathematical illustration used to identify "sets". The Venn diagram of some claims would be analogous to an aerial photograph of the "fences" surrounding the invention. The claims would be a series of sets and subsets, all including the invention at the centre of the sets. Anything that met the description of that set, would fall inside that claim and infringe it.

The invention can be described in a number of ways and therefore, there can be different sets of claims each with dependant claims, all protecting the invention at the core.

A patent's claims can also be illustrated as a tree-structure, with branches indicating dependency.

2.1 The Title Page

The title page of a patent provides "tombstone information" concerning the patent: the title, the inventors, the person to whom the patent was granted, the application date, the priority date, the grant date and for patents filed after October 1, 1989, the date that the patent application was "laid open".

2.2 The Abstract

The Abstract is the "headnote" of the patent, providing a summary of the invention and its use. It includes a summary of the disclosure and indicates the technical field to which the invention relates. It should describe the technical problem and the solution of the problem by the invention. Its purpose is to provide a succinct description of an invention so that a reader can decide whether the rest of the patent is of interest.

Abstracts are now available through on-line computer databases and are commonly used for searching the technical literature to see what areas are already patented.

2.3 The Claims

The claims define the monopoly in words. A patent may have many claims, each defining the invention in different words and describing it broad or narrow functional language.

2.3.1 the form of the claim

In Canada, an invention can be claimed in one patent in more than one statutory class: ie. as an apparatus or a process or both. For example, an invention may be defined by a process claim, or as an apparatus which carries out the process.

³ See Validity.

A combination-type claim is one where the invention is described as a combination of elements or steps which achieve a desired result or interaction.

In some instances, the invention is best described by either an improvement claim (a claim where only the improvement to an existing apparatus or process is claimed), or European-style claim (one where the preamble describes the known prior art).

A claim for an apparatus should not contain a process step as an element; similarly a claim for a method should not contain an article as an element. Such claims are referred to as ones with "mixed elements". An example of the first type is:

A digital signal processor comprising:

- a) a first register for storing signal data,
- b) transferring said signal data to a second register...

You can incorporate a process limitation in a claim for an apparatus. For example:

A computer comprising:

"means for storing signal data..." or

"a first register for storing data..."

The clause beginning with the word "for" describes the function or process carried out by the apparatus.

A claim can recite a process step that contains a hardware or machine limitation. For example:

A method for processing seismic data, comprising the steps of:

collecting the time-varying seismic detector output signals from a plurality of seismic sensors positioned in a cable ... [emphasis added]

In the latter example, the signals are collected from a recited structure. The structure is the hardware or machine limitation within the process step.

2.3.2 the preamble to the claim

Combination-type claims traditionally begin with a preamble which is designed to identify the class of invention and recite any prior art elements with which the invention cooperates

The invention should be described in terms of statutory subject matter.

2.3.3 the body of the claim

In a combination-type claim, the invention is described as a combination of parts which interact to achieve a certain result or function. In formulating a combination-type claim,

functional limitations may be expressed in "means-plus-function" format. Under U.S. practice, the court will interpret the recited "means" as including the preferred means disclosed in the specification as well as functional equivalents, subject to any express limitation in the disclosure.

2.3.4 **Dependent Claims**

After drafting independent claims in one or more statutory classes, the patent agent usually then drafts a number of dependent claims for defining subordinate features to those recited in the independent claims or to further define features and/or structure of the essential claim elements.

2.4 The Description (Disclosure)

The nature of the invention must be defined in the disclosure and the manner in which the invention is to be carried out, must be described. In the case of a machine (for example, a computer), the best mode of operation must be described. In the case of a process (for example, the implementation of an algorithm by computer process), the necessary sequence of steps must be explained for distinguishing the invention from the prior art.4

The description is like a manual that accompanies a kit such as a home barbecue. In the case of a patent for an apparatus, it includes a parts list identifying the parts needed to make the apparatus and assembly instructions explaining how to put the parts together. This description is used as a cross-reference to a series of drawings bearing numbers corresponding to the parts illustrating how the device is put together. Operating instructions explain how to use the device in the best manner known.

The description must describe the invention and its uses contemplated by the inventor.5 The description must be clear, accurate, simple and easy to understand by the person or persons to whom the patent is directed, namely the skilled workers in the relevant field (See Claim Construction).

2.5 The body of the description

The disclosure is usually divided into the following sections;

- (a) the Area of the Invention,
 - a general description of the field of the invention;
- (b) a description of the prior art and their problems,
 - what solutions existed in the past to similar problems and what problems were not overcome by the prior art;

Patent Act, s. 34(1).

Patent Act, s. 41.

- (c) the Object of the Invention,
 - this describes the desired results of the invention. A statement of the object of the invention is not mandatory and is sometimes dangerous to include because all claims must meet the object or they will fail for being too broad;⁶
- (d) the Consistory Clause,
 - a generalized description of the invention. Usually the language from the broadest claim is restated to make the description consistent with the broadest claim;
- (e) the description of the preferred embodiment of the invention,
 - an example of an implementation of the invention. Usually the best version of the invention known at the time that the patent application was filed. It is described with reference to the drawings;
- (f) a description of further embodiments; and
- (g) a generalised statement that the embodiments are illustrative and not limiting,
 - an attempt by the inventor to let everyone know that the monopoly is not limited to the embodiment shown in the patent.

2.6 The Drawings

The disclosure must also refer to any drawings forming part of the application. Many patent agents begin sketching informal or conceptual precursors to the formal drawings while drafting the claims and then finalize the drawings while drafting the description.

If certain information that is not otherwise publicly available is needed in order to make or use the invention, then it must be included in the description or else the patent will be declared invalid for failing to describe the best mode of operation of the invention or its necessary sequence of steps.⁷

3. International Agreements Affecting Patents

Canada is a signatory to several international Agreements or Conventions.

See Defects in the Disclosure.

Ductmate Industries Inc. v. Exanno Products Ltd. (1985) 2 C.P.R. (3d) 289 (F.C.T.D. per Reed J.).

3.1 The Paris Convention - 1883

In 1883, under the Paris Convention, several countries agreed to provide treatment under their intellectual property statutes equally to nationals of other countries.

The Paris Convention also provided for what is known as "convention priority": if you file an patent application in one country, you have a certain period of time (1 year for patent applications) within which to file an application in other member countries. The subsequently filed applications are treated as if they were filed on the same day as the first-filed application. In effect, the subsequent applications are back dated.

The ability to file only one application and to file subsequently further applications based upon it is of critical importance in planning a patent filing strategy for obtaining patent protection around the world.

There are over 120 countries which have ratified the Paris Convention. The Paris Convention is administered by the World Intellectual Property Organization ("WIPO"), based in Geneva, Switzerland.

3.2 World Trade Organization

The World Trade Organization was created out of the Uruguay Round of the General Agreement on Tariff and Trade ("GATT"). The GATT was intended to decrease trade barriers between countries.

Ironically, the Trade Related Aspects of Intellectual Property ("TRIPS"), had the effect of improving intellectual property protection in most countries8 making Intellectual Property a non-tariff trade barrier.

Under the North American Free Trade Agreement ("NAFTA") and GATT, Canada imposed upon itself (as did other signatory countries) an obligation to make patents available for "any inventions ... in all fields of technology".9 There is to be no discrimination as to the field of technology unless it is a sort of technology that fits under a specific exclusion. Software-related inventions are not excluded.

3.3 Patent Co-operation Treaty

The Patent Co-operation Treaty ("PCT") is a multi-lateral treaty that came into force in 1978. It facilitates filing patent applications in the PCT contracting States which includes most developed and many under-developed countries.

The PCT allows for the filing of one patent application (an international application) in which the applicant expresses the intention to have national or regional patent applications filed in the indicated States or Regions. The cost of translations and national

The term of a patent was agreed to be increased to 20 years from the date of filing.

Title 17 excluded certain biotechnology but did not affect computer-related inventions.

filing fees are postponed until 20 or 30 months after the priority date. Examination of the application is available at the request of the applicant.

The advantages of a PCT application are that only one patent application need be filed which can designate on the prder of 100 countries. The application is filed in one language thereby deferring translation fees. The cost of filing in the individual countries is deferred until later.

4. Statutory Subject Matter

The Canadian Patent Act¹⁰, provides that patent protection may be acquired for any "invention", defined under s. 2 as follows:

"invention" means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter:

subject to the prohibition of ss. 27(8) that:

"No patent shall issue for ... any mere scientific principle or abstract theorem."

There are three pre-requisites to patentability:

- (a) novelty,
- (b) utility, and
- (c) non-obviousness. 11

In order for there to be an invention, there must be both a concept and an implementation (a way of putting the concept into practical form).12 It is not enough to have an idea floating through an inventor's brain. The inventor must have at least reduced it to a definite and practical shape before it can be said that an invention has been made.¹³ The date an invention is made is established by showing that the invention was either described in enabling writing (or drawing) or built. The machine does not have to be built; that is merely one way of establishing a date of invention.¹⁴

Reynolds v. Herbert Smith & Co. Ltd. (1903), 20 R.P.C. 123 (per Buckley J.) at p. 127; Diversified Products Corp. v. Tye-Sil Corp. (1991), 35 C.P.R. (3d.) 350 (F.C.A. per Décarry J.) at pp. 364-5.

¹⁰ R.S.C. 1985, c. P-4, as amended.

¹¹ Patent Act, s. 28.3

¹³ Permutit Co. v. Borrowman [1926] 4 D.L.R. 285, 43 R.P.C. 356 (P.C.).

Owens-Illinois Inc. v. Koehring Waterous Ltd. (1981), 52 C.P.R. (2d.) 1 (F.C.A.) at p. 2.

4.1 Novelty

For a invention to be patentable, it must be "new". 15-In order to be novel, the invention must not have been done before in a way that was available to the public. 16

The invention need not be revolutionary but can be a combination of old things. So long as the combination is new, the invention is novel.¹⁷

In order to be novel, the invention must not have been built before or described in a single document with contained sufficient information to allow someone to make the invention.¹⁸

The new placement side-by-side of old devices, so that each device performs its own functions independently of the others, does not constitute an invention. Where each element functions independently, and there is no common result, then there is no inventive combination. The mere juxtaposition of parts is insufficient. Elements must combine for a unitary result. If any element in the arrangement gives its own result without any result flowing from the combination, then there is no invention. The sum of the combination of the combination.

Patents are available for improvements to existing machines or processes. It must be appreciated however, that the patent to an improvement does not grant the patent owner any right to use the underlying technology, which may be patented by the original inventor.

4.2 Utility

In order to be protectable by a patent, the invention must be "useful". The invention must be useful for the purpose for which it was designed. The invention must be useful for the purpose for which it was designed.

Patent Act, s. 63.

Philco Products Ltd. and Cutten-Foster & Sons, Limited v. Thermionics Limited et. al. [1943] S.C.R. 396 (per Taschereau, J.) at pp. 412-413; Canadian General Electric Co. Ld. v. Fada Radio Ltd. (1930), 47 R.P.C. 69 (H.L.) at p. 90.

Patent Act, s. 2.

Sometimes called an enabling disclosure.

¹⁹ British Celanese v. Courtaulds (1935), 52 R.P.C. 171 at p. 193.

Lester v. Commissioner of Patents (1946), 6 C.P.R. 3.

Domtar Ltd. v. McMillan Bloedel (1977), 33 C.P.R. 182 (F.C.T.D.) at p. 189-90.

Patent Act, s. 2.

Mullard Radio Valve Co. Ltd. v. Philco Radio & Television Corp. of Great Britain Ltd. et. al. (1935), 52 R.P.C. 261 (per Maugham O.J.) at p. 287.

An invention has utility if:

- (a) it gives a benefit to the public;
- (b) it is useful in achieving a particular purpose;
- (c) it makes a process better or cheaper;
- (d) it is advantageous under certain circumstances; and
- (e) it works.

Older case law held that an invention had to result in a "vendible product" in order for it to be patentable. The trend in other jurisdictions and in Canada is now drifting towards the requirement that the invention produced a "technical result".

4.3 Non-Obviousness or Ingenuity

Through the case law, and now by statute, the Courts added the requirement of non-obviousness or Inventive Ingenuity. This arose out of a desire by the Courts not to allow a patent to cover any routine improvement. In the Edison Bell case, ²⁴—the court described it this was:

"It really comes to this, that, although the invention is new - that is, that nobody has thought of it before - and although it is useful, yet, when you consider it, you come to the conclusion that it is so easy, so palpable, that everybody who thought that for a moment would come to the same conclusion; or, in more homely language, hardly judicial, but rather business-like, it comes to this, it is so easy that any fool could do it."

That requirement has now been incorporated into the Canadian Patent Act under section 28.3.

An invention is sometimes identified by its measure over the prior art. The comparison is made between what was invented and what has taken place before hand. The courts have sometimes said that there is a quantum leap or spark ("scintilla") of invention.

The test for inventiveness has been very difficult to articulate.

"Nobody however, has told me, and I do not suppose anybody ever will tell me, what is the precise characteristic or quality the presence of which distinguishes an invention from a workshop

The Edison Bell Phonograph Corporation, Limited v. Smith and Young (1894), 11 R.P.C. 389 at p. 398.

improvement. Day is day, and night is night, but who shall tell where day ends or where night begins?"²⁵

Some cases state that an invention is the result of inventive skill, which definition, begs the question to raise a further one: what is inventive skill?²⁶ Thus an invention is some thing created by an inventive mind. The corollary is that someone without any inventive abilities would create something obvious.

The test for inventiveness in Canada has now evolved to asking whether the invention would have been obvious to a hypothetical individual, possessed of all the relevant prior art but what lacked any inventive abilities. Would that person have been led directly and without difficulty to the solution disclosed and claimed in the patent?²⁷

5. The Application Process

A patent application, in the form of a draft patent is filed with the appropriate governmental department, the application is a draft copy of the patent desired.

In order to obtain a patent, three things are required:

- (a) an inventor;
- (b) an invention described in an application; and
- (c) money.

5.1 An inventor

You have no right to protect an invention unless you are the inventor, or have obtained title to the invention from the inventor. The person or persons applying for the issue of a patent is the Applicant. The patent can also be applied for by the "legal representative" of an inventor who is anyone who has assumed ownership of the patent by operation of law or by assignment. In the United States, only the Inventors can apply for a patent.

Patent Act, s. 27.

Samuel Parkes & Co. Ltd. v. Crocker Bros. Ltd. (1929), 46 R.P.C. 248 (per Tomlin J.) at p. 248.

Canadian Gypsum Co. Ltd. v. Gypsum, Lime and Alabastine Canada Ltd. [1931] Ex. C.R.
 180 (per MacLean J.) at p. 187.

²⁷ 27. See *Beloit*.

Patent Act, s. 2.

Patent Act, s. 2.

Patents can be assigned, in whole or in part by written document.³¹ The co-owner of a patent cannot subdivide his part ownership into two or more parts without the concurrence of all the owners of the patent.³²

The first assignment filed with the Canadian Patent Office governs.³³

5.1.1 First-to-File versus First-to-Invent

Until the late 1980's, Canada followed the American model of awarding patents to the first person or persons to have invented the invention. The United States still follows this "first-to-invent" system. This policy can result in disputes arising between inventors requiring them to prove who invented what first (called "conflicts" in Canada and "interferences" in the United States).

In the late 1980's, Canada switched to a first-to-file system³⁴ which resulted in the patent being awarded to the first inventor to file a patent application for the invention.³⁵ In the first-to-file system, inventors are encouraged to file their patent applications as quickly as possible or else risk having someone else, another inventor, file first.

5.2 The Application

The invention is described and claimed in a Patent Application, which looks like the patent that the Applicant wishes to have issued.

The Patent Application is accompanied by the documentation requesting the grant of a patent (called the "Petition") and material evidencing the authority of the person applying for the patent. Patents are usually prosecuted by patent agents on behalf of the inventor or the assignee.

Usually prior to filing the Patent Application, a search is done in the Patent Office to find relevant prior art in the area. After the search is done, the Patent Agent gives the client an opinion as to the likely scope or protection available. The patentability search mimics the search done later by the examiner in the Patent Office, during the prosecution stage (see Prosecution below).

³¹ Patent Act, s. 50 (1).

Georgina Forget v. Specialty Tools of Canada Inc. (1993), 48 C.P.R. (3d.) 323 (D.S.C.S. per Rowan J.); affirmed on appeal.

³³ Patent Act, s. 50(2).

Affecting all patent applications filed on or after October 1, 1989.

³⁵ Patent Act, s. 27(1)(a) and (b).

5.2.1 Prosecution

Once the Patent Application is filed, the applicant has seven years from the Canadian filing date (for applications filed prior to October 1, 1996) or 5 years (for applications filed after October 1, 1996) to request that the patent application be examined.

The Examiner then reviews patents or Patent Application on file in the Canadian Patent Office in the same or related areas. Any other literature publicly available is also available to the Examiner. There is a statutory obligation to provide prior art which is available to other Patent Offices, if requested.³⁶ Otherwise, there is no obligation to disclose prior art to the Canadian Patent Office. In the United Sates, however, there is a positive obligation to present relevant art to the U.S. Patent Office. Not to do so can result in the issuance of an invalid patent.

5.2.2 The "Office Action"

After reviewing the application, the Examiner may conclude that the Applicant needs to amend the application and will issue a letter to the Applicant setting out the objections. The letter is referred to as an "office action". Time limits are imposed within which a response must be filed to the office action.

5.2.3 Laying Open of the Application

Under the first-to-file systems, Patent Applications are laid open for public inspection or published no later than 18 months from the filing of the first Patent Application for the invention. The Applicant can request earlier publication if desired.³⁸ The publication of a Patent Application, in effect, warns the public that a patent may issue for the technology. If a patent subsequently issues, the patent owner is entitled to "reasonable compensation" for any "infringements" done between the date of the publication of the patent and the issue date of the patent and to profits or damages thereafter.³⁹

5.3 Money

In addition to filing fees, annual fees must be paid in order to maintain a patent or patent application or else it will be deemed to have been abandoned. Maintenance Fees are due after the first anniversary date in Canada and before the second anniversary. Small entities pay maintenance fees half that of large entities.

³⁶ Patent Act, s. 35(4).

³⁷ Patent Rules, s. 45(1).

³⁸ Patent Act, s. 10(2).

Patent Act, s.

⁴⁰ Patent Act, s. 27.1(2).

See definition of small entity

Maintenance fees are payable on all patents that issued after October 1, 1989.⁴²

6. Claim Construction

In order to determine whether a claim is infringed or invalid, the first duty of a Court is to read the claims and give them meaning (a process referred to as "claim construction"). Multi-million dollar lawsuits can be won or lost depending on the upon the meaning of a word or two in a claim. ⁴³

The construction of a patent is a legal exercise.⁴⁴ Likewise, in the United States, the construction of the claims is the job of a judge not the jury.

The job of the court is to interpret the claims. It cannot redraft them. 45

6.1 The Addressee

The court is to construe the patent as would a person skilled in the art to which the patent is directed because the claims are addressed to the skilled worker, not to the lay person⁴⁶ or persons.

The patent is to be interpreted as of the date it issued.⁴⁷

A patent should be given a reasonable and fair construction, clear to both the patentee and the public.⁴⁸

It is not permissible to make reference to the disclosure to vary the scope or ambit of the claims.⁴⁹

Electrical and Musical Industries, Ltd. and Boonton Research Corporation, Ld. v. Lissen, Ld. and another (1939), 56 R.P.C. 23 (per Lord Russell of Killowen) at p. 39.

⁴² Patent Rules, 80.1(1) and(3).

Western Electric Co. et al. v. Baldwin International of Canada (1934), 4. D.L.R. 129 at p. 133, [1934] S.C.R. 570 at p. 574 (S.C.C. per Duff C.J.).

O'Hara Manufacturing Ltd. et al. v. Eli Lily & Co. et al. (1989) 26 C.P.R. (3d.) 1 (F.C.A. per Pratte J.A.) at p. 7.

Burton Parsons v. Hewlett Packard (1975), 17 C.P.R. (2d.) 97 (S.C.C. per Pigeon J.) at p. 104. See also American Cyanamid Company v. Ethicon Limited [1979] R.P.C. 215 (per Graham, J.) at pp. 245-246.

⁴⁷ AlliedSignal Inc. v. Dupont Canada Inc. et al. F.C.A.

Consolboard Inc. v. McMillan Bloedel (Sask.) Ltd. [1981] 1 S.C.R. 504 at pp. 520-521 per Dickson J.

Dableh v. Ontario Hydro, Federal Court of Appeal.

6.2 Essential and Non-essential elements

The question to be asked in construing a claim of a patent is:

"What would the claim have meant to a skilled reader as of the relevant date?"

Claim construction consists of the following:

- 1. Read the patent as a whole, and construe the claims in the context of the patent.
- 2. If the disclosure expressly defines certain terms to have certain meanings, use those definitions when interpreting the claims.
- 3. The relevant date for construing the patent claims is either:
 - a. The date of issuance of the patent, for patents applied for before October 1, 1989; or
 - b. the date of publication of the patent application, for patents applied for on or after October 1, 1989;
- 4. Read the patent as if you were the person to whom it was addressed. Except for terms expressly defined in the patent, give the terms in the claim the ordinary meaning they would have had to such person as of the relevant date.
- 5. To determine whether a claim element is essential or not, ask:
 - Was it obvious to the skilled reader at the time the patent was published that a variant of a particular element would not make a difference to the way in which the invention works? If modifying or omitting the element changes the way the invention works, and that was obvious at the relevant date, then the element is essential; or
 - 2. According to the intent of the inventor, expressed or inferred from the claims, was a particular element essential irrespective of its practical effect? If the element appears to have been intended to be essential, then the element is essential.

If the claim element was not found to be essential under either Q1 or Q2, then the element is non-essential.

Where an inventor has clearly stated in the claims that he considered a requirement as essential to the invention, the court cannot decide otherwise for the sole reason that he was mistaken. The court cannot conclude that strict compliance of the word or phrase used in the claim is not an essential requirement of the invention unless it is obvious that

the inventor knew that a failure for complying with that requirement would have no material effect upon the way the invention worked.⁵⁰

6.3 File Wrapper Estoppel

The "file wrapper" is the name given to the file in the Patent Office containing the correspondence between the inventor's patent agent and the Patent Office examiner during the prosecution of the patent. It sometimes contains statements made on behalf of the inventor of what the inventor considers the invention to be and how it differs from the prior art.

Extrinsic evidence is not admissible for construing a patent. Even comments made on behalf of the inventor during the prosecution of the patent cannot be used in Canadian courts to interpret the words in the claim.⁵¹ In the United States however, the "file wrapper end" can be used and patent owners can be estopped from asserting facts different than those represented during the prosecution process.

7. Infringement

The case law defines infringement as "any act that interferes with the full enjoyment of the monopoly granted to the patentee" or any activity that deprives the inventor, in whole or in part, directly or indirectly, of full enjoyment of the monopoly conferred by law. 53

The claim forms the basis for the comparison, like a checklist. The elements of a claim are compared with the elements of the defendant's device or process. Non-essential integers could be omitted or replaced by their mechanical equivalents and there would still be infringement.⁵⁴ There is infringement if all the essential elements of a claim are included in the defendant's product or method.⁵⁵

O'Hara Manufacturing Ltd. v. Eli Lilly et al. (1989), 26 C.P.R. (3d) 1 (F.C.A. per Pratte J.A.) at p. 6-7.

Lovell Mfg. Co. et al. v. Beatty Bros. Ltd. (1962), 41 C.P.R. 18 (Ex. Cd. per Thorson P.)

Monsanto Canada Inc. v. Schmeiser, [2004] 1 S.C.R. 902 at para. 34, quoting H. G. Fox; "The Canadian Law and Practice Relating to Letters Patent for Inventions"; (4th ed. 1969), at p. 349, and Lishman v. Erom Roche Inc. (1996), 68 C.P.R. (3d) 72 (F.C.T.D.) at p. 77. See also Beloit Canada Ltd. v. Valmet-Dominion Inc. (1997), 73 C.P.R. (3d) 321, [1997] F.C.J. No. 486 (F.C.A.) at p. 334, per Isaac C.J., Stone and Desjardins JJ.A.

Monsanto Canada Inc. v. Schmeiser [2004] 1 S.C.R. 902 at para. 35.

⁵⁴ Rodi & Wienenberger [1969] R.P.C. 367 per Lord Upjohn at p. 391.

Free World Trust v. Électro Santé Inc. et al., (2001) 9 C.P.R. (4th) 168 (S.C.C. per Binnie, J.), para. 68(4); Eli Lilly and Company et al v. Apotex Inc., 2009 F.C. 991 (F.C. per Gauthier J.) at para. 211; Bauer Hockey Corp. et al v. Easton Sports Canada Inc. 2010 FC 361, (F.C. per Gauthier J.) at para. 169.

Products made abroad by a process patented in Canada, if imported into Canada, are infringing.

A person infringes a patent if they induce or procure another to do acts that constitute infringement, under certain conditions. This "indirect infringement" by a defendant occurs when:

- 1. A third party has made, used or sold an embodiment of the invention without a licence from the patent owner (the third party has "directly infringed" the patent);
- 2. The defendant caused the third party to make, use or sell the embodiment of the invention and, without that influence, the acts would not have occurred; and
- 3. The defendant knew that such influence on the third party would result in the acts by the third party occurring.

7.1 Intent to Infringe

In Canada, it does not matter whether a defendant intended to infringe the patent; the defendant will still be liable for damages or profits.⁵⁶

In the United States, however, a defendant will be penalised for wilfully infringing a patent or carrying on with reckless disregard to the situation and trouble damages can be awarded.⁵⁷

7.1.1 Remedies

The *Patent Act* provides that an infringer will be liable for damages and profits⁵⁸ and can be ordered to no longer make, use or sell the infringing device or process.

⁵⁶ Skelding v. Daly, et al. (1941), 2 Fox P.C. 61 (D.C.C.A. per O'Halloran J.A.) at p. 68

⁵⁷ Corning Glass v. Sumitomo Electric 5 U.S.P.Q. 2d. 1545 p. 1570-1571.

Patent Act, s. 52