Intellectual Property Weekly Abstracts Bulletin — Week of February 27, 2017

March 01, 2017

Patent Related Decisions

Decision to not Remove Solicitors as Counsel for the Defendants Upheld on Appeal
Sike v. Encana Corporation, 2017 FCA 37

The Federal Court of Appeal upheld a decision of the Federal Court dismissing an appeal from the Prothonotary's order wherein he refused to remove counsel as solicitors of record for the Defendants. In the underlying motion, the Plaintiffs had argued that when they were seeking counsel for this proceeding they had imparted confidential information to the solicitors who are now counsel to the Defence (Prothonotary's decision: 2016 FC 110, our summary here; Federal Court's decision: 2016 FC 671, our summary here).

The Court of Appeal reviewed the Prothonotary's decision and found that the conclusion that no information relevant to the matter in issue had been conveyed was open to the Prothonotary on the evidence before him. Therefore, the Court of Appeal concluded that the Federal Court judge had no reason to intervene, and that the appeal should accordingly be dismissed.

Federal Court Orders Additional Amount of $100,000.00 as Security for the Defendant's Costs
Regents of the University of California v. I-MED Pharma Inc., 2016 FC 975

Following TearLab's unsuccessful motions for interim and interlocutory injunctions, the Federal Court ordered that TearLab deposit an additional amount of $100,000.00 as security for the Defendant's costs.

The Court found that the Defendant had established that there was a significant gap between the security of $100,000.00 posted and the actual costs of $141,101.00 awarded in its favour following the unsuccessful interim and interlocutory injunction motions. The Court was also not satisfied that TearLab, an ordinarily resident outside of Canada, had any assets of value in Canada. Additionally, there was no suggestion that TearLab was impecunious or that an order for increased security for costs would create a financial burden rendering it impossible to carry on the action.

The Court concluded that an additional amount of $100,000.00 should be posted by TearLab as security for the Defendant's costs. This amount took into account the cost awards already made in favour and against each party to date and the steps that remain to be taken by the parties in order to complete examinations for discovery.

Judicial Review of Commissioner's Decision Refusing to Amend Priority Date Dismissed
Bayer Cropscience LP v. Canada (Attorney General), 2017 FC 178

The Federal Court dismissed Bayer's application for judicial review of the Commissioner of Patents' decision refusing Bayer's request to amend the priority date for Canadian Patent Application No 2,907,271 (the '271 Application).

In this case, Bayer had filed a PCT Patent Application (the '888 PCT Application) and could claim a prior filing date based on the filing date of a previous application (the '691 US Priority Application). At the time of filing the '888 PCT Application, the filing date for the '691 US Priority Application was recorded as April 19, 2012. The filing date of the '691 US Priority Application was later amended to April 3, 2012. However, the filing date for the '888 PCT Application was never successfully amended.

In August 2015, the '888 PCT Application entered the national phase in Canada as the '271 Application. Bayer requested that it be given a filing date of April 3, 2012 on the basis that it was claiming priority from the '691 US Priority Application. The Commissioner denied Bayer's request, concluding that the Bayer's August 2015 request was not within the 16-month period following the filing date of the '691 US Priority Application.

The Federal Court concluded that the Commissioner correctly interpreted the Patent Rules in finding that Bayer's request to amend the priority date was out of time. The application for judicial review was dismissed with costs.

Trademarks Decisions

Court of Appeal Affirms Re-determination — Individual Defendant is Still Jointly and Severally Liable for $64,000 in Damages and $250,000 in Punitive Damages for Selling Knock-off Chanel Products
Lam v. Chanel S. de R.L., 2017 FCA 38

This was an appeal of the Federal Court's re-determination of a motion for summary trial (2016 FC 987, previously summarized here).

In the original decision (2015 FC 1091), the Federal Court awarded judgment against the Defendants for the infringement of several Chanel trademarks. The Defendants were selling knock-off Chanel merchandise out of their condominium unit and in a strip mall. The Defendants were ordered to pay, jointly and severally, $64,000 in damages, plus $250,000 as punitive and exemplary damages, plus $66,000 in costs. On appeal, the Court of Appeal in 2016 FCA 111 set aside the trial judge's decision as it related to the personal Defendant and remitted the summary trial motion for re-determination. The Court of Appeal wanted the Judge to resolve the ambiguity in the decision related to whether the individual Defendant was liable for three or four acts of infringement. This

affected the quantum of damages and costs awarded and this Defendant's joint and several liabilities.

At the re-determination, the Federal Court confirmed the original judgment, including the compensatory damages award, the punitive damages award and the costs award. The Federal Court expressly confirmed that the individual Defendant was personally liable for all four infringements.

In this appeal, the Appellant did not contest the findings of liability, confining her appeal to the awards of compensatory and punitive damages and costs. The appeal was dismissed on all grounds. On the issue of punitive damages, the Court of Appeal noted that the Judge's assessment of the amount of damages was largely focused on the Defendants' conduct and the conclusion that compensatory damages alone would not be a deterrent; this was consistent with the case law. As the appeal was without merit and no substantive ground or challenge to the judgment was advanced, the Court of Appeal awarded costs on a solicitor-client basis.

Industry News

Health Canada has released a Notice to announce a meeting of Health Canada's Scientific Advisory Panel on Opioid Use and Contraindications (SAP-OUC). The website indicates that the meeting will take place on March 24, 2017. The detailed agenda for the SAP-OUC meeting will be posted at a later date.

By

Chantal Saunders, Beverley Moore, Adrian J. Howard, Jillian Brenner

Expertise

Intellectual Property, Copyright, Licensing, Patents, Trademarks

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 800 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2026 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.