

## A RECENT FEDERAL COURT DECISION: INTERLOCUTORY INJUNCTIONS IN PATENT MATTERS

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In the matter of *Les Inventions Morin Inc. and Les Equipments Armand Morin Inc. v. Gilbert Tech Inc.* (T-1398-95, F.C.T.D., October 7, 1996, unreported) plaintiffs brought an action alleging infringement of their Canadian patent No. 1,269,028, relative to saw teeth used in the lumber industry for the purpose of felling trees. The patented saw tooth in question is composed of four cutting edges and is directly connected to a shaft thereby allowing for said tooth to pivot in such a fashion as to maximize its cutting efficiency by inflicting four cuts instead of one.

Defendant's saw tooth, on the other hand, is composed of three cutting edges instead of four, and is connected to a shaft by way of a screw. Furthermore, defendant's tooth is not compatible with plaintiff's various models of tree feller heads unless substantially altered for this purpose.

The plaintiffs allegedly only learned of defendant's saw tooth on or about April 1995 and proceedings were instituted in July of the same year. Approximately one year after having initiated their action, plaintiffs moved for an interlocutory injunction ordering defendant to cease dealing in the allegedly infringing saw tooth.

After having reviewed the facts of the case and the arguments put forth by the parties, Justice Richard proceeded to examine the state of the law concerning interlocutory injunctions. In so doing, the court identified the Supreme Court decisions in *Manitoba (A.G.) v. Metropolitan Stores*, (1987) 1 S.C.R., and *R.J.R.-Macdonald Inc. v. Canada (A.G.)*, (1994) 1 S.C.R. 311 as providing the guiding principles to be applied when deciding whether such an injunction should issue. The said decisions are based on three criteria which were contemplated in *American Cyanamid Co. v. Ethicon Ltd.* (1975) A.C. 396 (House of Lords), and later imported into Canadian law: (i) Is there a serious issue to be tried; (ii) Would not granting the injunction be irreparable

harm for the plaintiff; (iii) Whom would suffer the greater inconvenience subject to the court's decision concerning the granting of the injunction.

### Serious Issue To Be Tried

The court acknowledged both the existence of the Morin patent and the apparent seriousness of the Gilbert defence and noted that the proceedings were not *prima facie* frivolous. Based on these facts, Richard J. determined that the matter warranted being heard on its merits and that there therefore appeared to be a serious issue to be tried.

### Irreparable Harm

The irreparable harm requirement is often the most difficult hurdle for the moving party to overcome. Due to the exceptional nature of the remedy, the courts have raised the standards regarding the nature of the evidence which must be presented under this heading. The harm cannot be inferred or implied. In order to satisfy the court, plaintiff must establish with clear evidence that it would suffer irreparable harm should the injunctive remedy requested be refused.

Richard J. also pointed out that motions for interlocutory injunctions in patent infringement cases are rarely successful due to the very nature of the rights granted by a patent. In most situations where infringement is found, monetary compensation proves to be an adequate remedy for plaintiffs.

Plaintiffs relied solely on affidavit evidence made by their internal controller. This evidence was determined to be to be insufficient and therefore unacceptable. The court also questioned the accountant's competence concerning some of the issues raised in the affidavit as to safety and the ease with which the Morin tooth could be copied.

### Balance of Inconvenience

The court considered the following facts in evaluating this criteria: plaintiffs produce 29 different models of teeth while defendant produces only one saw tooth model; defendant produces its saw tooth as an accessory for its tree feller; defendant's saw tooth cannot be used in conjunction with plaintiff's tree fellerhead unless altered for this purpose; plaintiffs' yearly sales are approximately 50% greater than those of defendant; only 35% of plaintiffs' saw teeth are of a comparable size to that of defendant; only 12.7% of plaintiffs' sales pertain to saw teeth of a size similar to that of defendant; plaintiffs' market is essentially Canada-wide with the exception of eastern Quebec; defendant's market is primarily eastern Quebec.

After having analyzed the above-mentioned facts, the court concluded that plaintiffs had failed to show that the balance of inconveniences leaned in their favour.

## Comment

Irreparable harm has become a sizeable obstacle for parties seeking interlocutory injunctions for it is often quite difficult to produce "clear evidence" of irreparable harm at such an early stage of litigation proceedings. In patent matters the issue is further compounded by the fact that the courts often take for granted that the party whom has suffered harm due to an infringement of its patent rights can be adequately compensated by a monetary award of damages. Although this may often be the case, it is not always true. Although the courts must exercise considerable caution when confronted with requests for exceptional remedies such as preliminary injunctions, they must also avoid rendering these remedies unaccessible due to a burden of proof which is too demanding.

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