

PURPOSIVE CONSTRUCTION IN CANADIAN PATENT CASES

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For the first time since the English decision of *Catnic Components Ltd. v. Hill & Smith Ltd.* (1982) RPC 183 (HL), the Supreme Court of Canada has rendered judgement on several important issues concerning patent infringement and the interpretation of claims in patent cases.

In two unanimous decisions rendered on December 15, 2000, the Court settled the controversy surrounding the following issues:

1. Is the purposive construction doctrine proposed in *Catnic*, and followed by our Courts since, applicable to the analysis of infringement only, or is the doctrine also applicable to the question of validity ?
2. Is the relevant date for the interpretation of claims: (a) the date of issuance of the patent, (b) the date of filing of the application, (c) the date of priority of the application, (d) the date of publication (laid open) of the application ?
3. Is an allegation of infringement to be analysed in two separate steps namely textual infringement and infringement in substance, or is there but one cause of action ?
4. Is the following principle founded?

If a variant of an aspect of a claim has no material effect on the way the invention works there is a presumption that the patent is infringed and that the patentee intended that that variant falls within the scope of the claim.

5. Is extrinsic evidence admissible to determine the intention of the Patentee ?

Here is a brief summary of each of the Court decisions.

The patents in *Whirlpool Corp. v. Camco Inc.*, (2000) CSC 67, (hereinafter "*Whirlpool*") concerned washing machines for clothes. In the early 1970s, *Whirlpool* developed a dual action washing machine, for which a patent expired in 1996. *Whirlpool* perfected this dual action machine which gave birth to a second patent that expired in 1996. *Whirlpool* once again perfected its machines by adding flexible vanes to this dual action system which gave birth to a third patent that expired in 1998.

The litigation between the parties began when *Whirlpool* sued *Camco* alleging that there was infringement on certain claims of the second patent and all the claims of the third patent. In its defence, *Camco* alleged that the second patent had not been infringed because one of the components of their machines was not detachable. The parties agreed that this was the only factor in determining if there was infringement. *Camco* also alleged that the third patent was invalid in view of the fact that the invention claimed was wider than the invention described.

The Trial Judge concluded that the detachable component was not essential to the invention and, therefore, the claims were not wider than the invention described. He also concluded as to the validity of the second patent. As concerned the third patent, the Trial Judge concluded that the patent was valid and that all the claims had been infringed.

The decision of the Trial Division was upheld by the Court of Appeal.

The principal question before the Court was whether the word "vane" used in the claims of the second patent had to be interpreted as including flexible vanes, or rather, was limited to rigid vanes. The Court had to determine the important question of the method to follow in order to interpret a patent.

The Honourable Justice Ian Binnie, writing for the Court, concluded that the "purposive construction" doctrine, as formulated in the *Catnic* case, had to be applied in order to determine the validity or the infringement of a claim. He added that the "purposive construction" doctrine was founded on the identification by the Court, with the help of a person skilled in the art, of what, according to the inventor, constituted the essential elements of the invention. The Court also established that the relevant date for claim interpretation was the date of publication of the patent, namely, the date of issuance of the patent for applications filed before October 1, 1989, or the

date at which the patent application became accessible to the public for applications filed after October 1, 1989.

The Court ruled that one must not refer solely to the dictionary to interpret the meaning of words used in claims and that it is justifiable to look to the whole of the specification, including the drawings, in order to understand the meaning of the words used in the claims, but never to enlarge or restrict the scope of the claims. It is also interesting to note that even though the parties had agreed that the vanes in the second patent included flexible and rigid vanes, the Court considered that such an agreement did not bind the Trial Judge, as the interpretation of claims is a question of law and the Trial Judge could revise the interpretation made by the parties.

As concerned the third patent, the Court confirmed the decision of the Trial Judge as to the inventive character and nature of the flexible vanes and consequently, the patent was valid and there was infringement on certain claims.

The second case considered by the Court was *Free World Trust v. Electro-Santé Inc.*, (2000) CSC 66 (hereinafter "*Free World Trust*"). This case concerned the validity and the infringement of two patents owned by *Free World Trust*. These patents claimed an apparatus which bombarded different parts of the human body with low frequency electro-magnetic waves. This type of apparatus already existed and the second patent was an improvement patent.

Électro-Santé had put out an apparatus which enabled one to obtain the same therapeutic effects but with the help of a micro-controller. *Free World Trust* alleged that *Électro-Santé* had misappropriated the essential elements of its invention and that there was infringement for this reason. On its part, *Électro-Santé* alleged that there was no infringement and that, in any event, the patents were invalid for lack of novelty.

The Trial Judge concluded to the invalidity of both patents for lack of novelty and did not decide on the question of infringement.

The Court of Appeal subsequently declared both patents valid. Nonetheless, it dismissed the allegations of infringement by comparing the *Électro-Santé* apparatus, not to the claims, but rather to the *Free World Trust* apparatus, which is improper.

According to the Court, the principal question to be resolved in patent cases is: In what measure does the monopoly conferred by a patent protect

the essential or the spirit of the invention as opposed to what is expressly enounced in the written claims?

The Court concluded that the Patentee must clearly limit the scope of his monopoly by defining it in the claims. While certain elements described in the claims are essential to the workings of the invention, others may be considered by the inventor, or the Patentee, as non essential. It is up to the Courts to make this determination by interpreting the claims with the help of a person skilled in the art. In order to resolve the debate concerning both the validity of patents and infringement, the analysis must begin with the interpretation of claims.

The Court enumerated the principles which must be followed in the evaluation of infringement:

- "a) The Patent Act promotes adherence to the language of the claims.*
- b) Adherence to the language of the claims in turn promotes both fairness and predictability.*
- c) The claim language must, however, be read in an informed and purposive way.*
- d) The language of the claims thus construed defines the monopoly. There is no recourse to such vague notions as the "spirit of the invention" to expand it further.*
- e) The claims language will, on a purposive construction, show that some elements of the claimed invention are essential while others are non-essential. The identification of elements as essential or non-essential is made:*
 - (i) on the basis of the common knowledge of the worker skilled in the art to which the patent relates;*
 - (ii) as of the date the patent is published;*
 - (iii) having regard to whether or not it was 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; or*

- (iv) *according to the intent of the inventor, expressed or inferred from the claims, that a particular element is essential irrespective of its practical effect;*
- (v) *without, however, resort to extrinsic evidence of the inventor's invention.*
- (vi) *There is no infringement if an essential element is different or omitted. There may still be infringement, however, if non-essential elements are substituted or omitted."*

By way of principles a) to d), the Court reaffirmed the principles of the primacy of claims which was profoundly entrenched in our jurisprudence. The Court upheld the single cause of action principle of *Catnic*. The principles mentioned in e), including sub-paragraphs i) to v), indicate the steps to be followed to separate, according to purposive construction, the essential elements from the non-essential elements.

As for the determining date to interpret claims, the Court ruled that it is the date of publication of the patent which is, as previously mentioned, the date of issuance of the patent for applications filed before October 1, 1989, or the date at which the patent application becomes accessible to the public for applications filed after October 1, 1989.

Finally, the Court established that in evaluating the scope of the monopoly, no extrinsic evidence is admissible to demonstrate the intention of the Patentee as to the essential or the non-essential character of the elements nor for the construction of the claims. In this case, and by following the analysis proposed, the Court came to the conclusion that the circuits defined in the claims of the *Free World Trust* patent were essential elements and, that there was therefore no infringement.

Through both decisions, the Court put an end to many of the controversies which had developed in the Canadian Courts, more particularly since the English case of *Catnic* rendered in 1982 and in so doing clarified the law in respect of patent claim construction and patent infringement.

