

Federal Court



Cour fédérale

Date: 20120131

Docket: T-987-10

Citation: 2012 FC 122

[UNREVISED ENGLISH CERTIFIED TRANSLATION]

Montréal, Quebec, January 31, 2012

PRESENT: Prothonotary Richard Morneau

BETWEEN:

TECHNIQUE D'USINAGE SINLAB INC.

**Plaintiff/
Defendant by counterclaim**

and

**BIOCAD MÉDICAL INC.
and
NOBEL BIOCARE CANADA INC.**

**Defendants/
Plaintiffs by counterclaim**

REASONS FOR ORDER AND ORDER

[1] There are motions before this Court by each party for a ruling on the objections raised during the respective examinations of the parties' representatives that took place between July 12 and 14, 2011.

Background

[2] It was established that the plaintiff (Sinlab) is a holding company that, among others, owns Canadian patent 2,575,964 issued May 27, 2008 (the '964 Patent) for an invention called *Manufacturing a dental implant drill guide and a dental implant superstructure*. The '964 Patent is for a method of manufacturing a dental implant superstructure using 3D visualization technologies. A dental implant superstructure is essentially a titanium bar screwed to dental implants and on which a denture could be affixed.

[3] On June 23, 2010, Sinlab instituted an action in this case for infringement of the '964 Patent against the defendant Biocad Médical Inc. (Biocad). Following Sinlab, Biocad allegedly developed and implemented a procedure to manufacture a dental implant superstructure using 3D visualization technologies.

[4] It must also be noted that "a dental implant superstructure" is also designated in the Sinlab representative's examination as a "dental implant overdenture bar or implant bar overdenture". Moreover, the 3D visualization technology is also designated as CAD/CAM technology.

[5] Moreover, during the Biocad representative's examination, one of the issues was the role of a sister company of Biocad, Nobel Biocare Canada Inc. (NBC), whose actions are also subject to the present action. It is of note that in 2009, Biocad was acquired by the Nobel group, to which NBC belongs.

Analysis

Applicable general principles

[6] In *Reading & Bates Construction Co. et al v Baker Energy Resources Corp. et al* (1988), 24 C.P.R. (3rd) 66, at pages 70-72 (*Reading & Bates*), Justice McNair, in a six-point general reminder, defines at points one to three the parameters for determining whether a question or document is relevant; at points four to six, he indicates a series of circumstances or exceptions that, where applicable, mean a question does not need to be answered or a document does not need to be produced.

[7] The Court states the following at pages 70 to 72:

1. The test as to what documents are required to be produced is simply relevance. The test of relevance is not a matter for the exercise of the discretion. What documents parties are entitled to is a matter of law, not a matter of discretion. The principle for determining what document properly relates to the matters in issue is that it must be one which might reasonably be supposed to contain information which may directly or indirectly enable the party requiring production to advance his own case or to damage the case of his adversary, or which might fairly lead him to a train of inquiry that could have either of these consequences: *Trigg v. MI Movers International* (1987), 13 C.P.C. (2d) 150 (Ont. H.C.); *Canex Placer Ltd. v. A.-G. B.C.* (1976) 63 D.L.R. (3d) 282 (B.C.S.C.); and *Compagnie Financiere et Commerciale du Pacifique v. Peruvian Guano Co.* (1882), 11 Q.B.D. 55 (C.A.).

2. On an examination for discovery prior to the commencement of a reference that has been directed, the party being examined need only answer questions directed to the actual issues raised by the reference. Conversely, questions relating to information which has already been produced and questions which are too general or ask for an opinion or are outside the scope of the reference need not be answered by a witness: *Algonquin*

Mercantile Corp. v. Dart Industries Ltd. (1984), 82 C.P.R. (2d) 36 (F.C.T.D.), aff'd (1984), 1 C.P.R. (3d) 242 (F.C.T.D.).

3. The propriety of any question on discovery must be determined on the basis of its relevance to the facts pleaded in the statement of claim as constituting the cause of action...

4. The court should not compel answers to questions which, although they might be considered relevant, are not at all likely to advance in any way the questioning party's legal position: *Canex Placer Ltd. v. A.-G. B.C.*, supra; and *Smith, Kline & French Laboratories Ltd. v. A.-G. Can.* (1982), 67 C.P.R. (2d) 103 (F.C.T.D.) at p. 108.

5. Before compelling an answer to any question on an examination for discovery, the court must weigh the probability of the usefulness of the answer to the party seeking the information, with the time, trouble, expense and difficulty involved in obtaining it. Where on the one hand both the probative value and the usefulness of the answer to the examining party would appear to be, at the most, minimal and where, on the other hand, obtaining the answer would involve great difficulty and a considerable expenditure of time and effort to the party being examined, the court should not compel an answer. One must look at what is reasonable and fair under the circumstances: *Smith, Kline & French Ltd. v. A.-G. Can.*, supra, per Addy J. at p. 109.

6. The ambit of questions on discovery must be restricted to unadmitted allegations of fact in the pleadings, and fishing expeditions by way of a vague, far-reaching or an irrelevant line of questioning are to be discouraged: *Carnation Foods Co. Ltd. v. Amfac Foods Inc.* (1982), 63 C.P.R. (2d) 203 (F.C.A.); and *Beloit Ltee/Ltd. v. Valmet Oy* (1981), 60 C.P.R. (2d) 145 (F.C.T.D.).

[8] The motions must now be considered, beginning with Sinlab's motion.

I Sinlab's motion

[9] The five requests for undertakings under objection and for which Sinlab is seeking a ruling are listed as follows in paragraph 9 of its notice of motion:

[TRANSLATION]

- 9.1 **Request 25:** the names of the Biocad programmers who worked on the development of Biocad's software at issue;
- 9.2 **Request 27:** obtain the SR&ED tax credit forms describing the developments Biocad was working on;
- 9.3 **Request 32:** obtain a copy of an infringement opinion drafted during the acquisition of Biocad by the Nobel group;
- 9.4 **Request 33:** obtain a copy of the presentation given to the Nobel group during the acquisition of Biocad; and
- 9.5 **Request 78:** indicate whether Biocad had distributors before it was acquired by the Nobel group and obtain a copy of the distribution agreements, where relevant.

[10] More specifically, in its study, Sinlab grouped together requests 27, 32 and 33, and then it addressed requests 25 and 78 in a second group.

[11] Regarding the first group of requests, Sinlab submits that the relevant manufacturing procedure developed by Biocad before it was acquired by the Nobel group was later integrated into the *NobelProcera* system, marketed by NBC.

[12] Therefore, Sinlab submits that it can be expected that Nobel would have conducted a thorough and detailed study of the procedure and software Biocad developed before acquiring it. For the first group of requests, Sinlab is therefore seeking to obtain more information about the method, manufacturing procedure and software developed by Biocad.

[13] After reviewing the parties' positions, I feel that the requests in the first group are relevant and could reveal information about the method or procedure in question. I do not feel

that through these requests Sinlab is seeking to review and revisit the actual development of Biocad's development procedure. Moreover, although it is true that Biocad already provided a good deal of information on its procedure, I cannot conclude that the requests in the first group are redundant or unnecessary.

[14] As for the second group of requests, I also feel that request 25 aims to identify witnesses who are likely to have knowledge of the procedure used by the defendants. I think this request, despite the term "development" in its wording, targets the actual procedure and not the historical development of the software, which would be an irrelevant search.

[15] Sinlab's motion is allowed as follows and **THE COURT**:

1. **ORDERS** the defendants to provide full and satisfactory replies to the requests for undertaking 25, 27, 32 (except any privileged parts) and 33 in the examination for discovery of the defendants' representative, Erik Norström, which took place on July 12 and 18, 2011, on or before February 20, 2012.

As for the requests for undertaking 77 and 78, the Court finds that these have been answered.

2. **ALLOWS** Sinlab, at a date and place to be determined between the parties, to pursue and complete its examination of the defendants' representative, Erick Norström, on the answers provided following his examination of July 12 and 13, 2011, and on any other reasonable question arising from the answers to be

provided under this order, within the thirty days following the date the answers for the present order shall be sent.

3. **WITH COSTS.**

II Biocad's motion

[16] In this motion, Biocad is seeking to have undertaking U-12 fulfilled, which Counsel for Biocad validly translated and circumscribed in the notice of motion as follows:

... by providing a list of companies of which the Plaintiff is aware of, other than Biomet, BioCad and Nobel, which use CAD / CAM systems in the design and manufacture of overdenture bars and if available, relevant contact information, documentation in the Plaintiff's possession regarding these systems and dates as to when such systems were used ...

[17] After having read the parties' motion records and in particular the extracts of the transcript that led to undertaking U-12, I am satisfied that the undertaking is sufficiently circumscribed so as not to constitute a fishing expedition and it targets the relevant purpose as noted in paragraphs 17 and 18 of Biocad's written arguments:

17. When viewed in light of the Defendants' pleadings, U-12 is relevant to the allegations of invalidity of the '964 Patent on the basis of anticipation, obviousness and abandonment.
18. The identification of entities using CAD / CAM technology and steps similar to those claimed in the '964 Patent prior to the filing date may lead to a chain of inquiry uncovering relevant prior art and/or disclosures known to the Plaintiff. As noted above, such inquiries have been found to be

proper, even where the prior art or disclosures are unknown to the party alleging invalidity.

[18] Therefore, Biocad's motion is allowed as follows and **THE COURT**:

1. **ORDERS** Sinlab to respond, on or before February 15, 2012, to undertaking U-12, and,
2. **RESPOND** in writing to any reasonable question that might be asked by Biocad as a result of the response provided under paragraph 1.
3. **WITH COSTS.**

III Examination of inventor Poirier

[19] The examination of this person shall take place as soon as possible such that the present case is not delayed.

“Richard Morneau”

Prothonotary

Certified true translation
Elizabeth Tan, Translator

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: T-987-10

STYLE OF CAUSE: TECHNIQUE D'USINAGE SINLAB INC.
v
BIOCAD MÉDICAL INC.
and
NOBEL BIOCARE CANADA INC.

PLACE OF HEARING: Montréal, Quebec

DATE OF HEARING: January 30, 2012

REASONS FOR ORDER: PROTHONOTARY MORNEAU

DATED: January 31, 2012

APPEARANCES

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