

Date: 20060316

Docket: T-426-04

Citation: 2006 FC 348

Montréal, Quebec, March 16, 2006

PRESENT: RICHARD MORNEAU, PROTHONOTARY

BETWEEN:

**SHMUEL HERSHKOVITZ
SYSTÈMES DE SÉCURITÉ PARADOX LTÉE/
PARADOX SECURITY SYSTEMS LTD.**

and

PINHAS SHPATER

**Plaintiffs/
Defendants by Counterclaim**

and

TYCO SAFETY PRODUCTS CANADA LTD.

**Defendant/
Plaintiff by Counterclaim**

REASONS FOR ORDER AND ORDER

[1] UPON a motion made by the defendant and plaintiff by counterclaim (defendant Tyco) under Rule 97 of the *Federal Courts Rules* (the Rules) seeking an order for plaintiff Paradox's representative, Mr. Pinhas Shpater, to return to Canada at his own expense to reply to the six questions contained in Schedule A, attached to the motion (the Schedule A questions) as well as any other questions that may reasonably arise from his replies to the Schedule A questions and any questions that may reasonably arise from the replies to undertakings that were filed on January 31, 2006;

[2] GIVEN that defendant Tyco counterclaimed against the disclaimers filed in Canada by Paradox on October 6, 2003, on the grounds, *inter alia*, that these disclaimers were filed after the deadline and furthermore were not the result of an error;

[3] GIVEN that Paradox, in its reply to this counterclaim, denied the grounds upon which defendant Tyco based its challenge and argued that its disclaimers were valid;

[4] GIVEN that Paradox and defendant Tyco both refer to the American file wrappers of patent '803 and the application for reissue of said patent (the file wrappers) to support their respective positions concerning the disclaimers;

[5] GIVEN that the file wrappers were referred to in the plaintiffs' affidavit of documents, that they were given to Tyco and that they were the subject of questions, often questions to which no objections were raised, at least during Mr. Shpater's examination in November 2005;

[6] GIVEN that at this stage of Mr. Shpater's examination in chief, the Schedule A questions must be considered relevant in that the responses that might arise from them could foreseeably be used to support or undermine the parties' theory of a purported error and delay by Paradox in the filing of the disclaimers in October 2003;

[7] GIVEN that we should not focus too much at this stage on the positions that Paradox could possibly raise successfully during the hearing on the merits. With respect to the deadline issue, Paradox's position may be summarized as follows: it was not until April 2003, as opposed to May 2000, that Paradox fully understood the scope of the prior art disclosed on January 14, 2000, by defendant Tyco, and it was only then that it took action with the American authorities, and with the Canadian authorities in October 2003, to limit the relevant claims with respect to that prior art. As for the claims concerning the method, Paradox plans to submit at the hearing on the merits that there was nothing in the relevant background to lead Paradox to believe as early as July 2002, much less on June 17, 1999, when the divisional application '148 was filed, that said application '148 required any amendment;

[8] GIVEN the principles developed by this Court in *Reading & Bates Construction Co. et al. v. Baker Energy Resources Corp. et al.* (1988), 24 C.P.R. (3d) 66, at pages 70-72, where the following point, *inter alia*, is raised:

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 Int'l Transport Services Ltd.* (1986), 13 C.P.C. (2d) 150 (Ont. H.C.); *Canex Placer Ltd. v. A.-G. B.C.* (1975), 63 D.L.R. (3d) 282, [1976] 1 W.W.R. 644 (B.C.S.C.); and *Compagnie Financière et Commerciale du Pacifique v. Peruvian Guano Co.* (1882), 11 Q.B.D. 55 (C.A.).

(Emphasis added.)

[9] GIVEN that the Court is of the opinion that it would be fair and reasonable to direct Mr. Shpater to come to Canada, at his own expense, for the continuation and conclusion of his examination in chief;

ORDER

THE COURT:

- ORDERS that the motion of the defendant and plaintiff by counterclaim be allowed with costs;
- ORDERS Mr. Shpater to return to Canada at his own expense to reply to the six questions contained in Schedule A, attached to the motion (the Schedule A questions) as well as any other questions that may reasonably arise from his replies to the Schedule A questions and any questions that may reasonably arise from the replies to undertakings that were filed on January 31, 2006.
- ENJOINS the parties, as discussed at the hearing of March 13, 2006, to proceed and complete this exercise as expeditiously as possible and, once this is done, to

provide the Court with a draft order containing a jointly agreed-upon schedule with regard to the steps that remain to be completed in the docket.

“Richard Morneau”

Prothonotary

Certified true translation
Francie Gow

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-426-04

STYLE OF CAUSE: SHMUEL HERSHKOVITZ
SYSTÈMES DE SÉCURITÉ PARADOX LTÉE/
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PLACE OF HEARING: Montréal, Quebec

DATE OF HEARING: March 13, 2006

REASONS FOR ORDER BY: Richard Morneau, Prothonotary

DATED: March 16, 2006

APPEARANCES:

George R. Locke	FOR THE PLAINTIFFS/ DEFENDANTS BY COUNTERCLAIM
Marek Nitoslawski Alain Dussault	FOR THE DEFENDANT/PLAINTIFF BY COUNTERCLAIM

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