

IP USERS COMMITTEE MEETING
Minutes - Thursday, February 26, 2009
Federal Court (Montreal Office)

Attendance: Chief Justice, Justice Hughes, Justice Phelan, Prothonotary Morneau, Prothonotary Tabib, R. Naiberg, A. Furlanetto, A. Steele, C. Van Barr, F. Guay, J. Cotter, P. Wilcox, R. Woyiwada, E. McCarthy, A. Baumberg

1. Minutes from last Meeting

Approved

2. Draft Direction re: Case Management

Draft direction prepared after discussion at last meeting. John Cotter submitted for the Bar proposed amendments to the draft before the meeting regarding timely production of documents, availability of cost sanctions, and consideration by the Court of requests by parties for early trial dates. There followed some discussion whether parties should have witnesses answer questions and avoid refusal motions. However, there appeared to be reticence within the Bar. This might work well if there are minor issues, but more challenging if there are undertakings required. The issue can perhaps be resolved on a case by case basis. Regarding the issue of trial dates, the Chief Justice approved the amendment, noting the Court would make best efforts to find trial dates, though noting that the Court is slightly short of judges. A key problem with requests for early trial dates concerns the amount of time required: parties rarely know the length of trial required. Some anecdotal evidence was provided of counsel, in good faith, providing estimates that ultimately turned out to be off the mark by about 100% (in one case, a 25 day trial ultimately required 50 days). The Court requires an updated estimate at least 9 months in advance of the trial, with some moderate amendments to the duration possible at that stage. One lawyer recommended that the Court hold the parties to their original estimate, noting that in the US parties are typically forced to be more efficient with their time and stick to their original estimates. It might be useful in advance to make specific time allocation among the parties and hold the parties to the time allowed them.

It may be useful to look at statistics of trial duration over the last few years. The Chief Justice noted significant improvements compared to trials 5 – 10 years ago, due in large part to case management.

3. E-filing – Notice to Profession (November 28, 2008)

The recent Notice has little impact on the IP Bar, which has had e-filing since October 2005. The latest amendment formalizes the program, now available for all proceedings and for self-represented litigants. A 2nd service provider (Netlegal) is now in testing and can be approved once their system is complete and fully tested. Regarding e-service, lawyers can already serve by email pursuant to R147, though service through institutional service providers (such as LNC or Netlegal) requires formal structures by service providers. There has been some development by the service providers on institutional e-service systems, though additional work is required.

The Bar noted some concern with a pull system where service is deemed complete even if the recipient has not accessed the document. However, they agreed that as long as a lawyer can designate a proper individual (such as a paralegal) to receive service, there is no concern.

Some participants had used e-filing system on a limited basis, noting that in some cases they haven't received confirmation that a document was accepted. Also, they noted that if a party has time, it is often cheaper and more efficient to have a clerk bring the document to the Court.

4. Costs – discussion re: fixing costs of motions and applications by the judge/prothonotary hearing the matter – counsel prepared to make submissions as to the quantum of costs e.g. this is a \$500 motion

Taxing officers have traditionally done costs. In Ontario, and other jurisdictions, when an application / motion is heard, counsel indicates the cost of the motion (e.g., this is a \$1500 motion). Is this of interest to shorten the cost? The Bar agreed that this would be very useful.

The Chief Justice noted a decision of Justice Evans, indicating that the trial judge could finalize the issue of costs so counsel can resolve the matter, with an option for review with the Court. This will be raised by the Chief Justice at the next Court meeting.

Justice Hughes will prepare a draft notice for review.

5. – 7. New Ontario discovery rules / Inspiration from New Jersey Rules / Update from Bench and Bar on Case Management and Trial Dates

Both sets of rules indicate that the Court is tackling the question of uncontrolled discovery (Ont) and patent trials (NJ). IN both cases, onus is on parties and case management judge. In discovery in their version of NOCs, the Court requires a plan for discovery, pre-trial, trial. In each case, there are specific time allocations.

One lawyer agreed with use of formal structure required by the Rules, rather than merely by practice direction. Another noted that this could be accomplished via direction of the case management judge. Two key issues were noted:

General discovery plan – rigorous case management has provided significant improvement

Patents – a theory of case expressed in the claim chart would be useful to narrow the issues

Many parties are currently keeping all their options open until they complete discovery, with reluctance to close doors until as late as possible. Instead, parties should commit to a theory of the case.

It was noted that a party that does not wish to cooperate is not forced to do so under the rules. The practice direction mitigates this by forcing counsel to meet with the case management judge and discuss these issues. The case management judge now has authority under the rules to issue any order necessary for the just, least expensive resolution of the issues on the merits. However, there is some reluctance among the case management judges to force counsel to provide a claim chart early in the process. Some members took the view that this might require an amendment to the Rules. Also, it was noted that there is some lack of coherence in the approach adopted by the Court to case management across the country.

Justice Hughes, noting a shift in the Bar's position on aggressive case management since meetings last year, recommended that the Court prepare a template for effective case management to permit more aggressive case management. Justice Hughes will prepare a draft template.

The Chief Justice proposed a meeting of case management judges to improve coherence of case management.

7. Agenda Issues from Bar

Justice Hughes asked for better communication with Bar. Angela was designated by the Bar as the contact.

a) Collaboration with Rules Committee

The Bar requested earlier opportunities for discussion with the Rules Committee regarding significant amendments.

It was noted that some Rules amendments require very significant consideration, preferably before policy decisions are made. There is a concern that the policy decision for the expert evidence amendments were made "behind closed doors."

Ms. McCarthy described the amendment process, noting that it followed the general process for all amendments, with John Morrissey a key IP representative on the Rules Committee. It was proposed that the expert evidence sub-committee meet with representatives of the IP Bar at the April 30 meeting in Ottawa.

b) Contested Orders being granted without formal motions, including by Direction

This is an issue of adjudication of a disputed issue over the phone during a discussion in a conference call, with a party being surprised by an Order / Direction even if there was no formal advance process. The request is for a more standard approach of what can be addressed during a case management conference. It was acknowledged that the case management judge often is not aware that counsel considers that he / she was taken by surprise. There was also concern that directions are sometimes used in cases where an Order might have been appropriate so as to allow for an appeal. This can be brought to the next meeting of case management judges, as well as at the May plenary Court meeting.

c) Model standard form orders

There is a committee working on a model Anton Piller order. Protective orders and confidentiality orders might be added to the list. The Bar was asked to come up with a proposal.

There was some discussion regarding the difficulty in getting protective orders. It was noted that for NOC's, it is important that subsequent cases that will follow precedents must be able to access the earlier files. For other cases, there is a need to ensure that the request is justified. The model order should have flexibility, including the possibility of on-going review.

The Chief Justice noted that the open court principle is also being balanced when a decision is being made by the Court.

There was concern with an anecdote of assertion by the Registry that a transcript could not be copied due to copyright asserted by the steno company. For follow-up by Office of the Chief Justice.

d) Receiving orders and directions by e-mail

Addressed already.

e) Letter from the Bar relating to appointment of additional prothonotaries

The Bar has prepared a letter and is gathering additional signatures. This will be submitted to the Chief Justice, who noted that funding has been requested from the Courts Administration Service for a 7th prothonotary in fiscal year 2009-2010 and possibly an additional prothonotary for the next fiscal year.

Varia

Justice Hughes noted that an NOC status tracking document is available and will be circulated to the members of the committee for circulation to the wider Bar.

It was proposed that the members of the committee review the minutes for possible posting on the Court public web site.

8. Time and Place of Next Meeting

April 30, 2009 at 2 p.m. in Ottawa (Office of Federal Court)