

**Date: 20060901**

**Docket: T-2270-00**

**Citation: 2006 FC 1038**

**Ottawa, Ontario, the 1st day of September 2006**

**Present: Mr. Justice Beaudry**

**BETWEEN:**

**CHARLES D. MACLENNAN and  
QUADCO EQUIPMENT INC.**

**Plaintiffs**

**and**

**GILBERT TECH INC.**

**Defendant**

**REASONS FOR JUDGMENT AND JUDGMENT**

[1] In response to the appeal filed by the plaintiffs from my decision of December 6, 2004, the Court of Appeal made the following decision (2006 FCA 204) on May 31, 2006:

... the appeal must be allowed, the decision on infringement by inducement must be set aside and the matter returned to the judge below for redetermination, according to the applicable legal test and the file before him.

[2] The plaintiffs' allegations regarding infringement by inducement by the defendant are as follows (excerpted from [TRANSLATION] *Written submissions of the plaintiffs at trial,*

*Interpretation of claims / Analysis of infringement*, document No. 40, filed on September 15, 2004):

[TRANSLATION]

**Combination No. 2: GILBERT round back tooth and GILBERT flat back adapter in combination with QUADCO tooth holder**

239. Gilbert Tech manufactures and markets the GILBERT round back tooth with flat back adapter ("GILBERT flat back adapter"), which it induces consumers to install on QUADCO tooth holders (referred to collectively as "combination No. 2") (Fig. 16) when a QUADCO tooth has to be replaced.



**FIG. 16 COMBINATION NO. 2: GILBERT ROUND BACK TOOTH WITH FLAT BACK ADAPTER ON QUADCO TOOTH HOLDER (EXHIBITS P-104 AND P-105)**

- Exhibits P-32, P-33, P-101, P-104 and P-105 (*GILBERT flat back adapter*)

- Exhibit P-18 (*QUADCO tooth holder*)

240. The assembly of the GILBERT round back tooth with GILBERT flat back adapter results in a flat back tooth with integrated bushing.

241. Gilbert Tech sells its GILBERT round back tooth and GILBERT flat back adapter as a replacement kit for installation on a QUADCO tooth holder when a QUADCO tooth has to be replaced.

242. Mr. Taillon admitted in the relevant portions of his examination for discovery, which were read at trial, that

Gilbert Tech's intention was to sell the GILBERT round back tooth by inducing consumers to install it on QUADCO tooth holders using the GILBERT flat back adapter:

378 A What we want is to sell Gilbert teeth on Quadco blades, on Quadco saws. This means that if you want to attach a Gilbert tooth to a Quadco holder, you need an adapter to take the tooth.

- *Examination for discovery of Mr. Taillon, October 30, 2003 (Q. 378) (Exhibit P-167)*

243. In its advertising brochures (Exhibits P-73 and P-105) and on its web site (Exhibit P-74), Gilbert Tech gives the necessary instructions for combining the GILBERT round back tooth and GILBERT flat back adapter on a QUADCO tooth holder.

**3. Combination No. 3: GILBERT flat back teeth with integrated bushing in combination with a QUADCO tooth holder**

244. Gilbert Tech manufactures and markets a series of flat back teeth with integrated bushing (" GILBERT flat back teeth with integrated bushing") that it induces consumers to install on QUADCO tooth holders (referred to collectively as "combination No. 3") (Fig. 17) when a QUADCO tooth has to be replaced.



**FIG. 17** COMBINATION NO. 3: GILBERT FLAT BACK TOOTH WITH INTEGRATED BUSHING (LEFT) ON QUADCO TOOTH HOLDER (RIGHT)

- *Exhibits P-27 TO P-31 (GILBERT flat back teeth with integrated bushing)*

- *Exhibit P-18D (QUADCO tooth holder)*

245. Gilbert Tech manufactures and markets GILBERT flat back teeth with integrated bushing as a replacement kit for installation on QUADCO tooth holders when a QUADCO tooth has to be replaced.
246. GILBERT flat back teeth with integrated bushing are similar to the QUADCO teeth that they are used to replace. In the price list for GILBERT teeth (Exhibit P-121) given to customers, there is an equivalency table identifying which QUADCO teeth the GILBERT teeth correspond to.
247. Mr. Taillon admitted, in the relevant parts of his examination for discovery, which were read at trial, that purchasers are well aware that the GILBERT flat back teeth with integrated bushing are intended for installation on QUADCO tooth holders to replace QUADCO teeth:

[TRANSLATION]

458 Q When you sell your teeth, not the GILBERT tooth but the others that can fit on Quadcos, on Quadco holders, with or without adapter, it doesn't matter.

...

459 Q No, but I want to say: is there a little instruction booklet, something like that?

A (Negative).

460 Q No?

A Nothing at all, except the price list we had just now.

461 Q So the guys who buy it, they know what to do with it?

A Ah, it's...

462 Q It's clear to them?

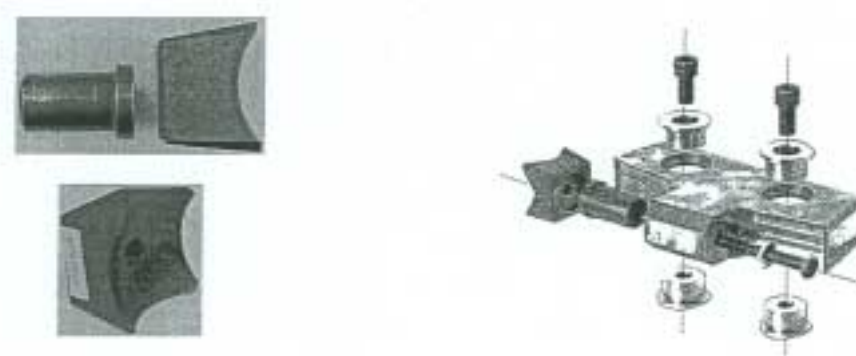
A It's clear.

- *Examination for discovery of Mr. Taillon, October 30, 2003 (pp. 119-120, Q. 458 to 462) (Exhibit P-167)*

**4. Combination No. 4: GILBERT flat back teeth with assembled bushing in combination with a QUADCO tooth holder**

248. Gilbert Tech manufactures and markets a series of flat back teeth with assembled bushing ("GILBERT teeth with integrated bushing" which it induces consumers to install on

QUADCO tooth holders (referred to collectively as “combination No. 4”) (Fig. 18) when a QUADCO tooth has to be replaced.



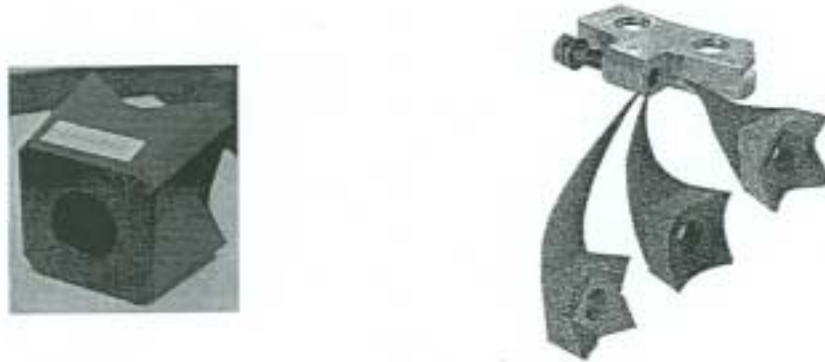
**FIG. 18** COMBINATION NO. 4: GILBERT FLAT BACK TOOTH WITH ASSEMBLED BUSHING (LEFT) ON QUADCO TOOTH HOLDER (RIGHT)

- Exhibits P-21, P-22, P-23 and P-164 (*GILBERT flat back teeth with assembled bushing*)
- Exhibit P-18D (*QUADCO tooth holder*)

249. Gilbert Tech manufactures and markets GILBERT flat back teeth with assembled bushing as a replacement kit for installation on QUADCO tooth holders when a QUADCO tooth has to be replaced.
250. GILBERT flat back teeth with assembled bushing are similar to the QUADCO teeth that they are used to replace. In the price list for GILBERT teeth (Exhibit P-121) given to customers, there is an equivalency table identifying which QUADCO teeth the GILBERT teeth correspond to.
251. Mr. Taillon admitted in the relevant portions of his examination for discovery, which were read at trial, that purchasers are well aware that the GILBERT flat back teeth with assembled bushing are intended for installation on QUADCO tooth holders to replace QUADCO teeth.
- *Examination for discovery of Mr. Taillon, October 30, 2003 (pp. 119-120, Q. 458 to 462) (Exhibit P-167)*

**5. Combination No. 5: GILBERT flat back teeth without bushing in combination with a QUADCO tooth holder**

252. Gilbert Tech manufactures and markets a series of flat back teeth without bushing (“GILBERT flat back teeth without bushing”) which it induces consumers to install on QUADCO tooth holders (referred to collectively as “combination No. 5”) (Fig. 19) when a QUADCO tooth has to be replaced.



**FIG. 19** COMBINATION NO. 5: GILBERT FLAT BACK TOOTH WITHOUT BUSHING (LEFT) ON QUADCO TOOTH HOLDER (RIGHT)

- Exhibits P-24, P-25, P-26 and P-153 (GILBERT flat back teeth without bushing)
- Exhibit P-18A (QUADCO tooth holder)

253. A larger bolt serves as the bushing.
254. Gilbert Tech manufactures and markets GILBERT flat back teeth without bushing as a replacement kit for installation on QUADCO tooth holders when a QUADCO tooth has to be replaced.
255. GILBERT flat back teeth without bushing are similar to the QUADCO teeth they are used to replace. In the price list for GILBERT teeth (Exhibit P-121) given to customers, there is an equivalency table identifying which QUADCO teeth the GILBERT teeth correspond to.
256. Mr. Taillon admitted in the relevant portions of his examination for discovery, which were read at trial, that purchasers are well aware that the GILBERT flat back teeth without bushing are intended for installation on QUADCO tooth holders to replace QUADCO teeth.

- *Examination for discovery of Mr. Taillon, October 30, 2003 (pp. 119-120, Q. 458 to 462) (Exhibit P-167)*

*(boldface in the original)*

[3] The plaintiffs' argument regarding inducement to infringe is set out in paragraphs 262, 263 and 264 of that document.

[TRANSLATION]

262. "A person who induces or procures another to infringe a patent is itself responsible for infringement of the patent."

- *AB Hassle v. Canada (Minister of Health and Welfare) (2002), 22 C.P.R. (4th) 1 (F.C.A.) at p. 7*

263. Contributory infringement consists of knowingly inducing another person (the direct infringer) to commit an act of infringement.

264. A three-pronged test must be applied:

Each of the following elements must be proved:

- (a) that the act of infringement was completed by the direct infringer;
- (b) completion of the act of infringement was influenced by the seller, to the point where without said influence, infringement by the buyer would not otherwise take place;
- (c) the influence must knowingly be exercised by the seller, such that the seller knows that his influence will result in the completion of the act of infringement.

- *AB Hassle v. Canada (Minister of Health and Welfare), (2002) 22 C.P.R. (4th) 1 (C.F.A.) at p. 7*

See also:

- *Dableh v. Ontario Hydro (1996), 68 C.P.R. (3d) 129 (F.C.A.) at pp. 148-149*

- *Slater Steel Industries Ltd. v. R. Payer Co. Ltd.* (1968), 55 C.P.R. 61 (Exch. Ct.) at p. 83 (Jackett J.)
- *Warner-Lambert Co. v. Wilkinson Sword Canada Inc.* (1988), 19 C.P.R. (3d) 402 (F.C.T.D.) at p. 407 (Jerome J.)

*(emphasis in the original)*

[4] With respect to combination No. 2, the plaintiffs allege that this combination infringes claims 1 and 5 of the MACLENNAN patent. The Court quotes paragraphs 298, 299, 300 and 301 of the plaintiffs' written submissions at trial.

[TRANSLATION]

298. This is contributory infringement in that Gilbert Tech manufactures and sells the GILBERT round back tooth with GILBERT flat back adapter, and induces consumers to install them on QUADCO tooth holders.

299. By using the resulting combination, customers of Gilbert Tech are committing an act of direct infringement.

300. Action is not generally brought against direct infringers because they can be numerous and difficult to identify; they may be potential customers of the plaintiff; and an injunction against them would be ineffective because others would take their places if the instigator were not stopped.

[TRANSLATION]

[T]he patentee is often reluctant to sue the primary infringer who uses the combination in that such user is a good customer of the patentee.

- *Slater Steel Industries Ltd. v. R. Payer Co. Ltd.*, (1968) 55 C.P.R. 61 (Exch. Ct.) at p. 63 (editor's comment on decision)

301. The plaintiff seeks to hold Gilbert Tech liable for contributory infringement.



[5] The plaintiff adds that in the defendant's advertising brochure it induces consumers to combine the GILBERT round back tooth with a QUADCO tooth holder using the GILBERT flat back adapter (paragraphs 313 to 317):

[TRANSLATION]

313. In its advertising brochure, Gilbert Tech induces consumers to combine the GILBERT round back tooth with a QUADCO tooth holder using the GILBERT flat back adapter:



**FIG. 25** BROCHURE PUBLICITAIRE DE GILBERT TECH  
(EXHIBIT P-73)

See also the English-language Gilbert Tech brochure:



**FIG. 26** GILBERT TECH ADVERTISING BROCHURE (EXHIBIT P-105)

314. Mr. Taillon admitted in the relevant portions of his examination for discovery, which were read at trial, that this advertising was intended for owners of QUADCO tooth holders:

[TRANSLATION]

74 Q You advertise it how, to what target buyers, this product?

A To owners of Quadco saws.

75 Q Quadco saws and Quadco holders?

A And Quadco holders.

...

77 Q And you have been advertising it in your brochures, in your pamphlets, since when?

A Intensively advertised since mid-1999.

...

88 Q So here, we have on what I am going to call page 2, although it does not have a number, it seems to be the back:

“Universal tooth that can be mounted on adapters for use on Quadco and Koehring saws”.

Is that what we're talking about?

A That is what we're talking about

89 Q "Front bolted tooth and adapter."

A I like the term used, which is "adapter". That means that it is really an intermediate part to adapt the GILBERT tooth for the standard holder.

90 Q And we see the drawing here: "Segment for Quadco, Koehring saws"?

A That's right.

91 Q So this, you sell it as a package?

A We do not sell the segment, in other words the Quadco holder or the Koehring holder, that we do not sell. We sell the adapter and the tooth.

- Examination for discovery of Mr. Taillon, June 12, 2001 (Q. 74-75, 77, 88 to 92) (Exhibit P-167)

315. In the price list for GILBERT teeth given to customers, there is an equivalency table identifying the QUADCO teeth, by model number, that are to be replaced by the GILBERT tooth and adapter.

**GILBERT**

DIVERSES DE FIXATION		Largeur / Hauteur		Hélice / Quadco		Réf.	
Modèle	Description	Largeur	Hauteur	Hélice	Quadco	Gilbert	Quadco
720001	Double de fixation	2"	1.25"			F-20001	Q-20001
720004	Double de fixation	2"	1.25"			F-20004	Q-20004
720005	Double de fixation	1.12"	1"			F-20005	Q-20005
<b>ÉQUIVALENCES QUADCO / GILBERT</b>							
Complément 2 broches, dents et adaptateur							
720003	Éq. Adaptateur complet	2"	NS UNC			F-20003	Q-20003
720006	Éq. Adaptateur complet	2"	NS UNF			F-20006	Q-20006
720002	Éq. Adaptateur complet	2.125"	NS UNF			F-20002	Q-20002
<b>ÉQUIVALENCES QUADCO / GILBERT</b>							
720001	Adaptateur (double 3/8)	2"	HL	529	052	F-20001	Q-20001
720002	Adaptateur	2"	NS UNF	529	050	F-20002	Q-20002
720003	Adaptateur	2"	NS UNF	529	050	F-20003	Q-20003
720004	Adaptateur vertical	2.125"	NS UNF	046	051	F-20004	Q-20004
720005	Adaptateur horizontal	2.125"	NS UNF	046	051	F-20005	Q-20005

**FIG. 27 PRICE LIST FOR GILBERT TEETH (EXHIBIT P-121)**

316. Were it not for this influence, owners of QUADCO tooth holders would have no alternative but to purchase replacement teeth from the patent holder, Quadco.

**ii. Knowledge by Gilbert Tech that its influence would result in use of combination No. 2**

317. Gilbert Tech is well aware that purchasers of its GILBERT round back tooth with its GILBERT flat back adapter install those parts on QUADCO tooth holders. That is the admitted goal of Gilbert Tech:

378 Q That is what we want, is to sell GILBERT teeth for Quadco blades, for Quadco saws. That means that if you want to attach a GILBERT tooth to the saw, to the Quadco holder, you need an adapter to take the tooth.

- *Examination for discovery of Mr. Taillon, October 30, 2003 (Q. 378) (Exhibit P-167)*

*(boldface in the original)*

[6] With respect to combination No. 3, the Court notes the allegations made by the plaintiffs in paragraphs 318 to 321 and the argument concerning infringement by inducement (paragraphs 325 to 328):

[TRANSLATION]

**3. Combination No. 3 vs. claims 1, 4 and 5 in the MACLENNAN patent**

318. Combination No. 3 infringes claims 1, 4 and 5 in the MACLENNAN patent.

319. Gilbert Tech manufactures and sells GILBERT flat back teeth with integrated bushing, and induces purchasers to combine them with QUADCO tooth holders.

320. By using the resulting combination, customers of Gilbert Tech are committing an act of direct infringement.

321. The plaintiff seeks to hold Gilbert Tech liable for contributory infringement.

...

**b. Contributory infringement**

**i. Influence of Gilbert Tech**

325. In the price list for GILBERT teeth given to customers, there is an equivalency table identifying the QUADCO teeth, by model number, that are to be replaced by GILBERT flat back teeth with integrated bushing.

**GILBERT**

Modèle	Description	Largeur	Hauteur	Angle	Matériau	Prix	Remarque
T30008	Dent sans double	2"	12 LMP	-	-	18,000	
T30009	Dent sans double	2 1/4"	12 LMP	-	-	17,500	
T30011	Dent sans double	2 1/4"	12 LMP	-	-	18,000	
T30012	Dent sans double	2 1/4"	12 LMP	-	-	18,000	
T30013	Dent sans double	2"	12 LMP	-	-	18,000	
T30014	Dent sans double	2"	12 LMP	-	-	18,000	
T30015	Dent sans double	2 1/4"	12 LMP	15/16"	1,200	18,000	
T30016	Dent sans double	2 1/4"	12 LMP	2"	1,200	18,000	
T30017	Dent sans double	2 1/4"	12 LMP	1 1/2"	1,200	18,000	
T30018	Dent sans double	2 1/4"	12 LMP	2"	1,200	18,000	
T30019	Dent sans double	2 1/4"	12 LMP	2"	1,200	18,000	
T30020	Dent sans double	2 1/4"	12 LMP	1 1/2"	-	18,000	

**LEGENDE**  
 (L) Adaptateur (L) (L)  
 (R) Non-Film  
 Remarque: pour les dents 2" ou plus, l'angle est de 15 degrés. Adaptez votre dent 2" ou plus, l'angle est de 15 degrés.

**FIG. 28 PRICE LIST FOR GILBERT TEETH (EXHIBIT P-121)**

**ii. Knowledge by Gilbert Tech that its influence would result in use of combination No. 3**

326. No other influence by Gilbert Tech is required.

327. Purchasers are well aware that GILBERT flat back teeth with integrated bushing are intended for installation on QUADCO tooth holders to replace the corresponding QUADCO teeth.

458 Q When you sell your teeth, not the GILBERT tooth but the others that can fit on Quadcos, on Quadco holders, with or without adapter, it doesn't matter.

...  
 459 Q No, but I mean: is there a little instruction booklet, something like that?

A (Negative).

460 Q No?

A Nothing at all, except the price list we had just now.

461 Q So the guys who buy it, they know what to do with it?

A Ah, it's...

462 Q It's clear to them?

A It's clear.

- *Examination for discovery of Mr. Taillon, October 30, 2003 (Q. 458 to 462) (Exhibit P-167)*

328. Gilbert Tech is well aware that this is what its customers are doing. It is counting on it.

*(boldface in the original)*

[7] With respect to combination No. 4, the Court quotes the allegations made by the plaintiffs in paragraphs 329 to 332 and the plaintiffs' arguments regarding infringement by inducement (paragraphs 340 to 347):

[TRANSLATION]

**4. Combination No. 4 vs. claims 2, 4 and 5 in the MACLENNAN patent**

329. Combination No. 4 infringes claims 2, 4 and 5 in the MACLENNAN patent.

330. Gilbert Tech manufactures and sells GILBERT flat back teeth with assembled bushing, and induces purchasers to combine them with QUADCO tooth holders.

331. By using the resulting combination, customers of Gilbert Tech are committing an act of direct infringement.

332. The plaintiff seeks to hold Gilbert Tech liable for contributory infringement.

...

**b. Contributory infringement**

**i. Influence of Gilbert Tech**

340. In the price list for GILBERT teeth given to customers, there is an equivalency table identifying the QUADCO teeth, by model number, to be replaced by GILBERT flat back teeth with assembled bushing:

Denture	Denture	Denture	Denture	Denture	Denture	Denture	Denture	Denture	Denture
F30000	Denture de Fixation		F	1.234					
F30004	Denture de Fixation		F	1.257					
F30008	Denture de Fixation		F	1.257					

**FIG. 30** PRICE LIST FOR GILBERT TEETH (EXHIBIT P-121)

**ii. Knowledge by Gilbert Tech that its influence would result in the use of combination No. 4**

341. No other influence by Gilbert Tech is required.
342. Purchasers are well aware that GILBERT flat back teeth with assembled bushing are intended for installation on QUADCO tooth holders to replace the corresponding QUADCO teeth.

458 Q When you sell your teeth, not the GILBERT tooth but the others that can fit on Quadcos, on Quadco holders, with or without adapter, it doesn't matter.

...

459 Q No, but I mean: is there a little instruction booklet, something like that?

A (Negative).

...

460 Q No?

A Nothing at all, except the price list we had just now.

461 Q So the guys who buy it, they know what to do with it?

A Ah, it's...

462 Q It's clear to them?

A It's clear.

- *Examination for discovery of Mr. Taillon, October 30, 2003 (Q. 458 to 462) (Exhibit P-167)*

343. And Gilbert Tech knows that this is what its customers are doing.

*(boldface in the original)*

[8] With respect to combination No. 5, the Court reproduces the allegations made in paragraphs 344 to 347 and the argument regarding infringement by inducement (paragraphs 357 to 360):

[TRANSLATION]

**5. Combination No. 5 vs. claims 2, 3, 4 and 5 in the MACLENNAN patent**

344. Combination No. 5 infringes claims 2, 3, 4 and 5 in the MACLENNAN patent.

345. Gilbert Tech manufactures and sells GILBERT flat back teeth without bushing, and induces purchasers to combine them with QUADCO tooth holders.

346. By using the resulting combination, customers of Gilbert Tech are committing an act of direct infringement.

347. The plaintiff seeks to hold Gilbert Tech liable for contributory infringement.

...

**b. Contributory infringement**

**i. Influence of Gilbert Tech**

357. In the price list for GILBERT teeth given to customers, there is an equivalency table identifying the QUADCO teeth, by model number, that are to be replaced by GILBERT flat back teeth without bushing:



**GILBERT**

Part No.	Description	Material	Quantity	Unit Price	Total Price	Notes
730020	Dent sans douille	2"	1/2 UNF	-	-	GH1012
730021	Dent sans douille	2 1/4"	3/8 UNF	-	-	GH1022
730001	Dent sans douille	2 1/4"	1/2 UNF	-	-	GH1031
730003	Dent sans douille	2 1/4"	1 UNF	-	-	GH1031
730006	Dent sans douille	2 3/4"	5/8 UNF	-	-	GH1031
730003	Dent sans douille	2"	3/4 UNF	-	-	GH1031
730003	Dent sans douille	2"	1/2 UNF	-	-	GH1031

**FIG. 32 PRICE LIST FOR GILBERT TEETH (EXHIBIT P-121)**

**ii. Knowledge by Gilbert Tech that its influence would result in the use of combination No. 5**

358. No other influence by Gilbert Tech is required.

359. Purchasers are well aware that GILBERT flat back teeth without bushing are intended for installation on QUADCO tooth holders to replace the corresponding QUADCO teeth.

458 Q When you sell your teeth, not the GILBERT tooth but the others that can fit on Quadcos, on Quadco holders, with or without adapter, it doesn't matter.

...

459 Q No, but I mean: is there a little instruction booklet, something like that?

A (Negative).

460 Q No?

A Nothing at all, except the price list we had just now.

461 Q So the guys who buy it, they know what to do with it?

A Ah, it's...

462 Q It's clear to them?

A It's clear.

- Examination for discovery of Mr. Taillon, October 30, 2003 (Q. 458 to 462) (Exhibit P-167)

360. And Gilbert Tech is well aware that this is what its customers are doing.

*(boldface in the original)*

[9] The defendant submits that it should not be held liable for infringement by inducement. The relevant paragraphs of the amended defence are paragraphs 8, 10, 11(a) and 11(b) (Amended Defence and Cross-Demand, filed on December 10, 2003).

[10] The defendant's key arguments are set out in its summary of the facts and law (filed on September 16, 2004), at paragraphs 64 to 66 (pages 19 and 20) and paragraphs 150 to 153 (4.4 [TRANSLATION] "Infringement by inducement ("Procurement")"), at page 41 of that document):

64. The following is a brief description of the four replacement teeth that the plaintiff attacks based on alleged indirect infringement by what is called infringement by "inducement":

(i) The GILBERT cylindrical back tooth which cannot be abutted using the means of abutment on the QUADCO tooth holder because of the roundness of the back. This tooth is sold with an adapter by means of which it can be used by customers who own **Quadco** saws equipped with a QUADCO tooth holder. **(13b)**

(ii) **Gilbert** also sells a frusto-pyramidal tooth that contains a permanently attached shank. **(13c)**

(iii) There is also another frusto-pyramidal GILBERT tooth that can take a detachable shank. **(13d)**

(iv) And there is the frusto-pyramidal GILBERT tooth that does not have round edges. Rather, it has a V-shaped outline ("straight edges", as Mr. MacLennan put it). **(13e)**

65. The Plaintiff has also brought action regarding the Morin patent 1,269,028 (Exhibit D-3) in relation to round edge (not straight

edge) GILBERT teeth sold without shanks, but with adapters, i.e. tooth **13(b)** above. It has also brought action regarding the V-shaped tooth in patent 2,084,013 (Exhibit D-4), tooth **13(e)**.

66. Not only does **Gilbert** not supply all components of the combination, but most of the products identified in paragraphs 13(b), (c), (d) and (e) that are alleged to be indirect infringements by inducement do not contain and cannot contain shanks as claimed in the patent (whether movable or fixed at the head).

...

#### **4.4 Infringement by inducement (“Procurement”)**

150. This brings us to the question of infringement by inducement. With respect to indirect infringement, by which it is alleged that a party is supplying the necessary components for reproducing the invention patented by another person, it is plain from the case law that each case turns on its facts.

151. On the other hand, generally speaking, it is extremely rare for the Court to find that supplying replacement parts amounts to infringement of a patent, unless it is the replacement part itself that is covered by a claim. When the invention consists of a combination of a series of components and the person who has purchased the combination wishes to replace a component, that person is entitled to go to someone other than the patentee for the replacement part. This is, in a way, a matter of policy.

152. Moreover, the courts require that the defendant have some degree of control or that there be an imbalance of power with the purchaser of the parts of the final product claimed in the patent held by the party bringing the action.

153. It is therefore difficult to imagine how, by supplying a tooth or adapter to someone who has already purchased a QUADCO tooth holder, the defendant Gilbert could be held liable under the *Patent Act* for an alleged infringement. After all, patent '788 does not protect the “teeth”; the purchaser bought the Quadco tooth holder, the tooth holder is a part that is sold separately from the various

models of Quadco teeth and Quadco holds several patents on teeth alone: ...

*(boldface in the original)*

## **ANALYSIS**

[11] In order to succeed, the plaintiffs must prove each of the following elements:

- (a) the act of infringement was completed by the direct infringer;
- (b) completion of the act of infringement was influenced by the seller, to the point where without said influence, infringement by the buyer would not otherwise take place;
- (c) the influence was knowingly exercised by the seller, so that the seller knows that his influence will result in the completion of the act of infringement (*AB Hassle v. Canada (Minister of National Health and Welfare)*, 2002 FCA 421, [2002] F.C.J. No. 1533 (F.C.A.) (QL)).

[12] After re-examining the record, I am of the opinion that the plaintiffs have failed to prove the first element; it will therefore not be necessary to analyze the other two.

[13] In this case, by purchasing the patented Quadco combination, the forestry companies can use the licence implied by that purchase to repair the components (Harold G. Fox, *Canadian Patent Law and Practice*, 4th ed., Toronto, Carswell, 1969, page 301). A component of the combination may be replaced without infringing the patent, as long as the replacement has become necessary as a result of normal wear and tear on the combination (page 391 of that text).

[14] The evidence is that it is common in the course of the normal use of the Quadco patented invention that damage occurs to the tooth itself, or to the tooth holder, in cutting a tree near the ground or where there is contact with rocks. These situations arise in the course of normal wear and tear on the Quadco combination.

[15] I therefore find that forestry companies, purchasers of the defendants' products, may repair damaged components of the Quadco patented invention by inserting GILBERT teeth into them without infringing the patent.

[16] The patent relates to a combination of saw teeth and a tooth holder for a circular saw. In my humble opinion, the defendant is not selling to its purchasers, or supplying them with, necessary components for reproducing the invention as patented. I agree with the defendant's assertion:

[TRANSLATION] "when Gilbert sells replacement products for Quadco products, it is not supplying a tooth holder, it is supplying only teeth or teeth and adapters, depending on the model". The teeth themselves that are sold by the defendant have characteristics that are different from the teeth sold and manufactured by Quadco.

[17] The Gilbert replacement parts are not equipped with a tooth holder. For example, the cylindrical back tooth is sold with an adapter because it cannot be abutted using the means of abutment on the QUADCO tooth holder. The patent does not protect the teeth alone; it protects a combination of saw and tooth holder; Quadco did not claim a saw tooth without a tooth holder or a tooth holder without a saw tooth. In fact, the plaintiff Quadco holds a number of patents on teeth alone.

[18] The plaintiffs have failed to discharge the burden of proof, on a balance of probabilities, that they meet the first test of infringement by inducement, that is, direct infringement by the defendant's customers. The defendant Gilbert therefore cannot be held liable for infringement by inducement.

**JUDGMENT**

**THE COURT ORDERS that:**

1. The action for infringement be dismissed.

“Michel Beaudry”

---

Judge

Certified true translation

Brian McCordick, Translator

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-2270-05

**STYLE OF CAUSE:** **CHARLES D. MACLENNAN AND  
QUADCO EQUIPMENT INC.  
v. GILBERT TECH INC.**

**PLACE OF HEARING:** Montréal, Quebec

**DATES OF HEARING:** January 12, 13, 14, 15 and 16, 2004 and  
September 13, 14, 15, 16 and 17, 2004

**REASONS FOR JUDGMENT  
AND JUDGMENT BY:** Beaudry J.

**DATED:** September 1, 2006

**APPEARANCES:**

François Guay FOR THE PLAINTIFFS  
Jean-Sébastien Brière  
Marc-André Huot

Bob Sotiriadis FOR THE DEFENDANT  
Chantal Pitarelli

**SOLICITORS OF RECORD:**

SMART & BIGGAR FOR THE PLAINTIFFS  
Montréal, Quebec

LEGER ROBIC RICHARD FOR THE DEFENDANT  
Montréal, Quebec