

B E T W E E N :

THE LUBRIZOL CORPORATION
and LUBRIZOL CANADA, LIMITED

Plaintiffs

- and -

IMPERIAL OIL LIMITED
and its subdivision PARAMINS

Defendant

REASONS FOR ORDER

CULLEN J.:

This motion, brought by Imperial Oil Limited ("Imperial") for production by Lubrizol of documents said to be relevant to another motion brought by Imperial, namely its motion under Rule 1733 to re-open the trial. I shall use the words Imperial and Lubrizol to identify the parties, given that reference to defendant (appellant) and plaintiffs (respondents) would make these references too cumbersome.

BACKGROUND

With the several steps that have been taken by the parties, and the number of remaining issues to be argued and decided, it is essential to know the background herein.

The matter arises out of an action for infringement of Lubrizol's Canadian Patent issued January 21, 1981 (the Patent # 1,094,044). Imperial denied such infringement and challenged the validity of Lubrizol's patent.

Counsel has provided for easy reference "Decisions in Canadian Lubrizol v.

Imperial Oil Proceedings".

TAB	DATE	COURT	STEP
1.	January 12, 1989	Reed, J.	Interlocutory Injunction
2.	September 22, 1989	Federal Court of Appeal	Appeal Injunction
3.	September 17, 1990	Cullen, J.	Trial decision
4.	December 4, 1992	Federal Court of Appeal	Appeal from trial
5.	April 14, 1993	Federal Court of Appeal	Settle appeal judgment
6.	October 7, 1993	Supreme Court of Canada	Dismiss application for leave
7.	April 25, 1994	Cullen, J.	Refuse leave to file further evidence
8.	June 1, 1994	Federal Court of Appeal	Quash appeal of refusal to admit evidence
9.	October 4, 1994	Cullen, J.	Exemplary damages
10.	October 11, 1994	Cullen, J.	Timetable for reference
11.	December 14, 1995	Federal Court of Appeal	Refuse application for further evidence
12.	March 22, 1996	Giles, A.S.P.	Refuse Imperial request for production by Lubrizol
13.	April 3, 1996	Federal Court of Appeal	Allow appeal re exemplary damages in part and remit
14.	August 6, 1996	Muldoon, J.	Appeal of Giles order of March 20, 1996 dismissed
15.	November 21, 1996	Federal Court of Appeal	Appeal from Muldoon order dismissed
16.	January 24, 1997	transcript of motion before Justice Jerome	

There is no question that there has been a plethora of documents provided by Imperial and by Lubrizol. On February 14, 1997 Lubrizol produced further documents to Imperial. Upon receipt of these documents Imperial forwarded Lubrizol's latest production list of documents to Exxon's counsel in the United States on March 17, 1997, and asked in the accompanying letter "Would you advise us as to whether there are other documents in

Schedule A to the notice of motion relating to our Rule 1733 Statement of Particulars that Lubrizol has not yet produced".

In a most comprehensive reply on the 18th of March 1997, Exxon's counsel provided his rational and a purported "List of Relevant Unrestricted Schedule A Documents not provided to Imperial Oil by Lubrizol" (see Exhibit A to the letter) and a purported "List of Relevant Restricted Schedule A Documents not provided by Imperial Oil by Lubrizol" (see Exhibit B to the letter).

All of this culminated in a Supplementary Notice of Motion under Rule 327.2 by Imperial requiring Lubrizol "To produce the documents relating to the period from March 1987 to the present date of the request, *in addition to the documents produced by Lubrizol on or about February 14, 1997* which are in the possession, custody or control of The Lubrizol Corporation or Lubrizol Canada Limited ("Lubrizol") and are relevant to this Rule 1733 motion including ...".

And then counsel describes or indicates the documents sought.

Endeavouring to deal only with the motion for production of documents is not easy given the exchanges of letters and the voluminous production of documents by the parties, which as I indicated earlier has its basis in the application under Rule 1733. It is therefore not surprising to me that both Imperial and Lubrizol had to spend a good portion of their presentation and memoranda dealing with the motion under 1733. It is however important to focus on Imperial motion under Rule 327.2 for the purpose of this hearing.

Lubrizol's memoranda reads at page 3 "The present motion was brought by notice of motion dated January 2, 1997 for an order requiring Lubrizol to produce documents from the 10 year period from March 1987 to the present said to be relevant to Imperial's Rule 1733 Motion".

Following that Imperial delivered a Supplementary Notice of Motion under Rule 327.2, dated March 19, 1997 for an Order requiring production by Lubrizol, in addition to the documents produced by Lubrizol on or about February 14, 1997 (Lubrizol's memo, page

4, paragraph 9) and goes on to describe the type of documents sought.

In its response to Imperial's Supplementary Motion, Lubrizol argue there is no power to compel discovery of documents in a motion.

ANALYSIS

As mentioned earlier there has been a plethora of documents filed by parties to this action.

It is the very nature of a law suit involving a chemical patent that each side feels compelled to seek all the information, data, documents from the opposing parties. Documents can then be examined in minute detail to enable the applicant and the respondent to decide whether or not they can succeed in pursuing or defending a chemical patent. I expect there is the fear that failure to get every conceivable document may result in losing the case. Certainly there has been ample evidence of such a scenario here.

Needless to say, it is preferable if each side can be satisfied that they have in fact got all the relevant documents, and of course if this can be done without the necessity of motions for productions.

On the surface, it is apparent that Imperial feels the need to seek more production over and above that already provided by Lubrizol. On the other hand Lubrizol has in its view supplied all the documents that are relevant to the 1733 hearing, but continue to search and in fact on the day of the hearing produced yet more documents.

Of concern to Imperial is the statement by one of the counsel for Lubrizol:

On January 27, 1997 counsel for the parties appeared before the Associate Chief Justice. In the course of that appearance, Mr. Donald Wright, Q.C., counsel for Lubrizol made the following submission:

"My friend referred you to the material in his 1733 motion and I would be the first person to agree that if you look at that, Mr. Billmeyer as a witness, looks terrible. But I, of course, point out to you that that material is there without the slightest bit of evidence on our part, it doesn't have any cross -- we don't have any cross-examination on our part."

"... it is our intention to demonstrate that the U.S. counsel that cross-examined him under their procedure, and it's note like ours, it's cross-examination in a deposition, it's like our discovery, they cross-examine them, and it will be our position that he misled him terribly by not showing him the notes that he should have shown him, which demonstrated that what he said was not false. He got an admission from him based on half a record. And I should say that this kind of tactic ---"

Thus in its motion under Rule 327.2, Imperial has asked for production of documents "notes that he should have shown him, which demonstrated that what he said was not false. He got an admission from him based on half a record".

It is not an unreasonable request in the circumstances, but unfortunately for Imperial, I do not have the authority under Rule 327.2 to order production.

It is my conclusion that Lubrizol's position is correct vis-a-vis an order compelling production. Production is not available to Imperial under Rule 327.2.

Following a recital commenting on Imperial's 1733 motion, Lubrizol's counsel focussed on Imperial's motion under Rule 327.2 for Production of Documents. To do justice to the reasoning advanced I proposed to incorporate that portion dealing with production of documents in these reasons, which argument I accept.

"There is no power to compel discovery of documents in a motion

21. It is beyond dispute that discovery of documents in the Federal Court is limited to action as defined in Rule 2, which defines action as follows: "action' means a proceeding in the Trial Division other than an appeal, an application or an originating motion ..." (emphasis added). In such cases, for which the rules provide no discovery procedure, applicants cannot expect to be able to make out their case from the mouth of the respondent.

Sovereign Life Insurance Co. v. Canada (1995), 100 F.T.R. 81
at pp. 97-98 (Nadon, J.) Tab 6

Merck Frosst Canada Inc. v. Canada (1994), 55 C.P.R. (3d)
302 (F.C.A.) at p. 320 Tab 7

Apotex Inc. v. Canada (1992), 41 C.P.R. (3d) 390 (Muldoon, J.)
at p. 391 Tab 8

Rule 327.2

22. Imperial claims to base its motion upon Rule 327.2

23. Rule 327.2 provides:

" The Chief Justice, or a judge designated by the Chief Justice,

may, at any time on motion or on the initiative of the Chief Justice or the designated judge,

- (a) established time limits for the filing of documents;
- (b) fix the day, time and place for hearing of an action, appeal or application; and
- (c) give such directions as the Chief Justice or the designated judge considers appropriate for the purpose of expediting the hearing of the action, appeal or application."

24. Rule 327.2 is complementary to Rule 327.1 which provides that the Court may order an expedited trial or hearing of an action or application and may give directions in relation to such expedited hearing.

Ref. Rule 327.1

25. Rule 327.2 provides for the establishing of time limits, the fixing of times and the giving of directions "for the purpose" of expediting the hearing.

Rule 327.2

26. It has nothing to do with production of documents by an opposite party.

27. Rule 447 to 453 provide a code governing production of documents by a party to an action. There is no rule providing for production of documents on a motion."

This motion for production of documents is dismissed with costs in the cause.

OTTAWA

April 7, 1997

B. Cullen

J.F.C.C.