

1944  
 {  
 July 11  
 —  
 1945  
 Mar. 21  
 —

BETWEEN:

HIS MAJESTY THE KING, on the information of  
 the Attorney General of Canada,

PLAINTIFF,

AND

NUMONT FUL-VUE CORPORATION,  
 THE FUL-VUE SALES COMPANY,  
 GEORGE PETER KIMMELL,  
 ROBERT E. HILLIER, JULIUS H.  
 TUVIN, ROSE E. EMONS, BESSIE  
 HILLIER, RUTH HILLIER, N. R.  
 KIMMELL, GALE KIMMELL,  
 CECIL E. McLEOD, AMERICAN  
 OPTICAL COMPANY, GEORGE B.  
 WELLS, IRA MOSHER, CHARLES  
 O. COZZENS, IRVING W. WIL-  
 SON, HARRY H. STYLL, R. GIL-  
 MAN WALLACE, HERBERT C.  
 KIMBALL, E. E. WILLIAMS, A.  
 TURNER WELLS, J. M. WELLS,  
 C. MCGREGORY WELLS,  
 JR., CHARLES N. SHELDEN, AND  
 UHLEMANN OPTICAL COMPANY,

DEFENDANTS.

*Practice—Joinder of parties and causes of action—General Rules and Orders 42—Rules of Supreme Court, 1883, of England, Order XVI, r. 1, r. 4, r. 5, Order XVIII, r. 1, r. 8, r. 9—Separate disposal of causes of action on balance of convenience—Licensee not desiring to be heard not a necessary party in action for cancellation of patent.*

*Held:* That there is power under Order XVI, r. 4 of The Rules of the Supreme Court, 1883, of England, to join in one action separate causes of actions against several defendants, regardless of whether any common question of law or fact will arise or not, and that no objection in point of law to such joinder can be sustained.

2 That while no limitation on the right of joinder can be found in Order XVI, r. 4 it is subject to, the discretionary powers which may be exercised by the court or a judge under Order XVI, r. 5 and Order XVIII, r. 1, r. 8 and r. 9 and that these rules of Order XVIII make it clear that when several causes of action have been united in the same action the decision whether they should be tried or disposed of together or separately should depend upon the balance of convenience.

3. That where a person has been joined as a defendant in an action for cancellation of a patent and it is shown that such person is only a licensee of the patent, has no interest in it, does not wish to be heard in defence of its validity and states that he will be bound by the judgment of the court, such person is not a necessary party to the action and should be dismissed therefrom.

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.

MOTIONS for separate disposal of causes of action, and for striking out certain paragraphs of information relating to one defendant.

The motions were heard before the Honourable Mr. Justice Thorson, President of the Court, in Chambers, at Ottawa.

*O. M. Biggar, K.C.* for defendant The Ful-Vue Sales Company.

*F. Erichsen-Brown, K.C.* for the defendants American Optical Company and Numont Ful-Vue Corporation.

*Christopher Robinson* for defendant Uhlemann Optical Company.

*Gordon F. Henderson* for plaintiff.

THE PRESIDENT now (March 21, 1945) delivered the following judgment:

The purpose of this action is to obtain a declaration that certain letters patent, six in number, are invalid or void and should be cancelled and set aside and that a certain industrial design registration should be expunged. It appears from the Information that, according to the records in the Canadian Patent Office, the defendant, The Ful-Vue Sales Company, a partnership, owns three of the patents, the defendant, American Optical Company, a voluntary association, one of them and the defendant, Uhlemann Optical Company, a corporation, the other two, and that the last named defendant also owns the industrial design registration. There are joined as defendants the persons said to be members of the partnership or members or associates of the voluntary association. The defendant, Cecil E. McLeod, is regarded as the owner of the patent standing of record in the name of the defendant, American Optical Company. The defendant, Numont Ful-

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.  
 ———  
 Thorson J.  
 ———

Vue Corporation, is joined on the ground that it holds itself out and represents that it is vested with certain rights in the letters patent and industrial design and is attempting on its own behalf or on behalf of other defendants to enforce its or their alleged rights thereunder. The nature of the said rights is not stated.

The plaintiff seeks to join in one action separate causes of action against several defendants. Under these circumstances, a motion was made on behalf of the defendant, The Ful-Vue Sales Company, and its defendant members for an order directing the Attorney General to elect which cause of action he will confine this action to, on the grounds that no one of them can be conveniently disposed of together with any other or others, and that no one of them can in law or should as a matter of discretion be pursued in the same action as any other or others, and that in any event the allegations in the Information against Numont Ful-Vue Corporation are impertinent and irrelevant to any of the other causes of action and may tend to prejudice, embarrass and delay the fair trial thereof; and further directing that upon such election all appropriate amendments be made accordingly, and also, if the Attorney General elects to proceed against the defendant, The Ful-Vue Sales Company, for an order that he furnish further and better particulars of the objections to the validity of the patents of which the said defendant is alleged to be the owner, specifying the particulars required. Similar motions were made on behalf of the defendants, American Optical Company and Uhlemann Optical Company. A motion was also made on behalf of the defendant, Numont Ful-Vue Corporation, for an order striking out paragraphs 1 and 9 of the Information, referring to the said defendant, on the ground that the Information contains no allegations of fact disclosing any reasonable cause of action against it and claims no relief with which it is concerned.

There being no provision, within the meaning of Rule 42 of the General Rules and Orders of this Court, for the practice and procedure relating to the joinder of parties and causes of action, resort must be had to Orders XVI and XVIII of "The Rules of the Supreme Court, 1883" of England, relating to such matters.

Order XVI r. 4 reads as follows:

4. All persons may be joined as defendants against whom the right to any relief is alleged to exist, whether jointly, severally or in the alternative. . . . .

Prior to 1896, Order XVI r. 1 read as follows:

1. All persons may be joined in one action as plaintiffs, in whom any right to relief is alleged to exist, whether jointly, severally, or in the alternative, . . . .

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.  
 ———  
 THORSON J.  
 ———

In this state of the rules it was held by the House of Lords in *Smurthwaite v. Hanney* (1) that several plaintiffs could not in one action join separate and distinct causes of action, and in *Sadler v. Great Western Railway Co.* (2) that a plaintiff could not in one action join separate causes of action against several defendants. The decisions were based on the view that Order XV dealt with the joinder of parties and had no reference to the joinder of causes of action.

In 1896, following the decision in *Smurthwaite v. Hannay* (*supra*), and, no doubt, with a view to overcoming its effects, r. 1 was altered by the Rule Committee so that it was made clear that several plaintiffs could be joined in one action, even if they had separate causes of action, subject to certain restrictions or qualifications, firstly, that the right of relief should be in respect of or arise out of the same transaction or series of transactions and, secondly, that in the separate causes of action a common question of law or fact should arise, and subject also to the proviso that if upon the application of any defendant it should appear that the joinder might embarrass or delay the trial of the action, the court or a judge might order separate trials, or make such other order as might be expedient. While the Rule Committee amended r. 1 in the manner indicated it made no change in r. 4. Since the amendment of r. 1, the courts have given a liberal interpretation to r. 4, in accordance with its wide terms, and do not follow *Sadler v. Great Western Railway Co.* (*supra*), the reason being that the foundation of that decision, namely, that Order XVI related only to the joinder of parties and had no reference to the joinder of causes of action has ceased to exist and it can no longer be said that r. 4 is part of a code of rules that relates exclusively to the joinder of parties.

(1) (1894) A.C. 494.

(2) (1896) A.C. 450.

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.  
 ———  
 THORSON J.  
 ———

The Annual Practice, 1944, cites a number of decisions on Order XVI, r. 4. In my opinion, the true view is that expressed by Fletcher Moulton L.J. in *Compania Sansinena de Carnes Congeladas v. Houlder Brothers & Co., Limited* (1), where, after mentioning the judgments of the House of Lords above referred to, and the alteration of r. 1 by the Rule Committee, he said:

The terms of this rule to my mind make it clear that Order XVI does not now deal solely with joinder of parties, but also deals with joinder of causes of action. Considering that rule with reference to the interpretation of r. 4, it appears to me that, just as the House of Lords, before the alteration of that rule, construed the wide and general language of r. 1 by reference to the general scope of the Order in which they could, as the rules then stood, find no intention to deal with joinder of causes of action, so now we are entitled to consider the meaning of the wide language of r. 4 as forming part of an Order which purports to some extent to deal with joinder of causes of action.

and then pointed out the difference between r. 1 and r. 4:

Turning to r. 1 in its new form, I find that the words inserted are of the nature of words of restriction or qualification, which, while they shew that it is intended by the rule to deal with joinder of causes of action, at the same time put some limitation on the joinder of causes of action which may be made under it. Looking at r. 4 by the light of that rule, it appears that the Rule Committee deemed it to be unnecessary to insert similar words in r. 4, and that they thought it desirable to keep the terms of that rule of their original width, after making it clear that the Order was not limited to joinder of parties, but was intended to deal also with joinder of causes of action. The result appears to me that we are not bound to limit the plain meaning of the words of r. 4 by reference to a decision of the House of Lords given under a different state of circumstances, when Order XVI stood as it was originally framed.

A number of decisions of the Court of Appeal have been cited to us. I confess that I find it difficult to reconcile all those decisions, and so I am driven back upon the plain meaning of the words of r. 4 . . . .

In this view, the scope of application of the rule is wider than that indicated by the headnote of the case; so far as the rule itself is concerned it is without limits. Whatever limitation there may be in actual practice is the result of the exercise of discretion by the court or a judge under the enabling rules.

The matter was settled by the Court of Appeal in *Payne v. British Time Recorder Co.* (2). In that case, Lord Sterndale approved the statement of Fletcher Moulton

(1) (1910) 2 K.B. 354 at 365.

(2) (1921) 2 K.B. 1.

L.J. in the *Compania Sansinena Case (supra)*, and repeated what he had said, as Pickford L.J., in *Thomas v. Moore* (1):

joinder of parties and joinder of causes of action are discretionary in this sense, that, if they are joined, there is no absolute right to have them struck out, but it is discretionary in the Court to do so if it thinks right.

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.  
 THORSON J.

Warrington L.J. was of the same opinion. He quoted the remarks of Fletcher Moulton L.J., which I have cited, and said, at page 13:

It seems to me that that exactly expresses what I desire to express,—namely, that the limitation, if it exists at all, must be found in the rule itself.

Scrutton L.J. took a narrower view of the application of the rule and imported into it the qualifications appearing in r. 1. At page 15, he said:

it is now clear that the practice of the Court has been to read r. 4 as if it contained similar powers to those contained in r. 1 applying to the case of joinder of defendants and to put the same construction on r. 4 as upon r. 1.

This does not seem to be a correct statement of the practice, for if it means that the joinder of causes of action is permissible only where a common question of law or fact will arise, or is otherwise subject to the limitations appearing in r. 1, it is not in accord with the opinions of the other members of the Court, both of whom recognized the difference between r. 4 and r. 1, which had been so clearly pointed out by Fletcher Moulton L.J.

It should, I think, be held that there is power under Order XVI, r. 4 to join in one action separate causes of action against several defendants, regardless of whether any common question of law or fact will arise or not, and that no objection in point of law to such joinder can be sustained.

But, while no limitation on the right of joinder can be found in Order XVI, r. 4, it is subject to the discretionary powers which may be exercised by the Court or a judge under Order XVI, r. 5 and Order XVIII, r. 1, r. 8 and r. 9. Order XVI, r. 5, provides.

5. It shall not be necessary that every defendant shall be interested as to all the relief prayed for, or as to every cause of action included in any proceeding against him; but the court or a judge

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.

Thorson J.

may make such order as may appear just to prevent any defendant from being embarrassed or put to expense by being required to attend any proceedings in which he may have no interest.

The relevant rules of Order XVIII provide:

1. Subject to the following Rules of this Order, the plaintiff may unite in the same action several causes of action; but if it appear to the Court or a Judge that any such causes of action cannot be conveniently tried or disposed of together, the Court or Judge may order separate trials of any such causes of action to be had, or make such other order as may be necessary or expedient for the separate disposal thereof.

8. Any defendant alleging that the plaintiff has united in the same action several causes of action which cannot be conveniently disposed of together, may at any time apply to the Court or a Judge for an order confining the action to such of the causes of action as may be conveniently disposed of together.

9. If, on the hearing of such application as in the last preceding Rule mentioned, it shall appear to the Court or a Judge that the causes of action are such as cannot all be conveniently disposed of together, the Court or Judge may order any of such causes of action to be excluded and consequential amendments to be made and may make such order as to costs as may be just.

Nothing has happened in the action thus far to call for an order under Order XVI, r. 5, and the motions under discussion may be dealt with under the relevant rules of Order XVIII. These make it clear that when several causes of action have been united in the same action the decision whether they should be tried or disposed of together or separately should depend upon the balance of convenience. Mr. Biggar for the defendant, The Ful-Vue Sales Company, urged that his client should not have to sit through the trial while an attack was being made on other patents than its own and both Mr. Ericksen-Brown for the defendant, American Optical Company, and Mr. Robinson for the defendant, Uhlemann Optical Company, adopted his argument. The argument is a strong one for the avoidance of embarrassment and expense is an important factor in determining the balance of convenience. Mr. Henderson, for the plaintiff, contended that there should be no election at this stage since the plaintiff did not know what rights the defendant, Numont Ful-Vue Corporation, had in the patents and industrial design in dispute, that is to say, whether it was the owner of them or merely a licensee; that it was incumbent upon the plaintiff to bring in any person

who appeared to have an interest; that until the full interest of such defendant was ascertained, it would be embarrassing to the plaintiff to have to make any election, and that the motions were premature. This difficulty in the way of the plaintiff, which was a real one, was removed by the several statements of counsel for the defedants, Ful-Vue Sales Company, American Optical Company and Uhlemann Optical Company, that they were respectively the owners of the patents or industrial design standing of record in their names and that the defendant, Numont Ful-Vue Corporation, had only the rights of a licensee in respect thereof, and for the defendant, Numont Ful-Vue Corporation, that it had no proprietary interest or rights other than those of a licensee and would be bound if a declaration of nullity were made. The other contention made by Mr. Henderson was based on his affidavit filed in reply to the motions in which he stated that the patents and registered design all relate to the same subject matter, namely, ophthalmic mountings for spectacles, and that the evidence required to substantiate the allegations relating to their invalidity would be given by the same expert or experts and he argued that this fact turned the balance of convenience in favour of trying the causes of action together, thereby avoiding a multiplicity of actions. While some time and expense might be saved in hearing the evidence of the experts in one action the advantage thus gained would, in my judgment, be more than offset by the difficulty confronting both counsel and the trial judge in trying to distinguish between the evidence applicable to all the patents and that which is referable only to some or one of them. There would, I think, be serious danger of confusion in the result if an attempt were made to try the validity of all the patents and the industrial design together. While this is particularly true with regard to the trial, there might also be confusion in the preparatory steps, such as the furnishing of particulars, production of documents, examination for discovery and the taking of commission evidence, if that should become necessary. It would, I think, be more satisfactory and lead to clearer results if the causes of action were dealt with separately from the outset. The record in each case

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.  
 THORSON J.



1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.  
 THORSON J.

would then be separate and distinct both for trial purposes and also for those of appeal proceedings if they should be taken. There would be nothing to prevent the plaintiff from proceeding with several actions concurrently so that they would all be ready for trial at the same time and it would be easy to arrange that they be tried consecutively before the same trial judge, if that should be deemed desirable. On the whole, I think that the balance of convenience lies in favour of granting the motions and it is, therefore, ordered that the Attorney General do elect whether he will confine this action to the three letters patent in the name of the defendant, The Ful-Vue Sales Company, or the one letters patent in the name of the defendant, American Optical Company, or the two letters patent and the industrial design in the name of the defendant, Uhlemann Optical Company, and that upon such election all consequential amendments be made, with the right reserved to the plaintiff to bring new actions in respect of such causes of action as are not continued in this one. Under all the circumstances it seems just that the granting of these motions should be without costs. If any difficulty should arise with regard to the form of the order the matter may be spoken to further. I have not dealt with the motions so far as they relate to particulars, for although the matter was raised by Mr. Biggar it was not fully argued. If particulars as requested are not given when the action has been reconstituted as ordered and the new actions have been brought further motions may be made.

The motion on behalf of the defendant, Numont Ful-Vue Corporation, for an order striking out paragraphs 1 and 9 of the Information, which, in effect, is a motion for dismissal of the said defendant from the action, should, I think, be granted. We are concerned not with whether a licensee may be joined as a co-plaintiff with the patentee in an action for infringement, particularly in view of section 55 of The Patent Act, 1935, but with the status of the defendant in this action. If it wished to remain in the action, having been brought in by the plaintiff, it might well be that it could do so, on the authority of *In re Brown's Patent* (1), in which Neville

(1) (1907) 24 R.P.C. 313 at 346.

J. held that licensees who had been served with a petition for revocation of the patent were entitled to appear and, on dismissal of the petition, to be paid their costs. While it is, of course, desirable in an action for cancellation of a patent that all the parties having an interest in it should be before the Court, and the plaintiff may have been justified in adding Numont Ful-Vue Corporation as a defendant when the nature of its rights was not known, the situation is changed by the statements of counsel that it is only a licensee of the patents, has no interest in them, does not desire to be heard in the action and will be bound by the judgment of the Court. It was settled in *Heap v. Hartley* (1) that a licence under a patent did not convey an interest in it. The question whether a licensee is a necessary party to a petition for revocation of a patent was raised but not decided In re *Stahlwerk Becker Aktiengesellschaft's Patent* (2), and need not be decided here. All that need be held is that where a person has been joined as a defendant in an action for cancellation of a patent and it is shown that such person is only a licensee of the patent, has no interest in it, does not wish to be heard in defence of its validity and states that he will be bound by the judgment of the Court, such person is not a necessary party to the action and should be dismissed therefrom. This being now the position of the defendant, Numont Ful-Vue Corporation, its dismissal from the action is ordered, with costs to it.

1945  
 THE KING  
 v.  
 NUMONT  
 FUL-VUE  
 CORPORATION  
 ET AL.  
 THORSON J.

*Judgment accordingly.*

---

(1) (1889) 6 R.P.C. 495 at 501. (2) (1918) 35 R.P.C. 81.