

Federal Court of Appeal



Cour d'appel fédérale

Date: 20260320

Docket: A-331-24

Citation: 2026 FCA 59

**CORAM: LOCKE J.A.
ROUSSEL J.A.
HECKMAN J.A.**

BETWEEN:

PROSLIDE TECHNOLOGY INC.

**Appellant/
Respondent by Cross-Appeal**

and

WHITEWATER WEST INDUSTRIES, LTD.

**Respondent/
Appellant by Cross-Appeal**

Heard at Ottawa, Ontario, on December 15, 2025.

Judgment delivered at Ottawa, Ontario, on March 20, 2026.

REASONS FOR JUDGMENT BY:

LOCKE J.A.

CONCURRED IN BY:

**ROUSSEL J.A.
HECKMAN J.A.**

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REASONS FOR JUDGMENT

LOCKE J.A.

I. Overview

[1] The present appeal and cross-appeal raise several important legal issues in the field of patent law. First, the appellant, ProSlide Technology Inc. (ProSlide), argues that one arm of the

test for overbreadth, claiming more broadly than the invention made (as distinguished from the invention disclosed), is not a proper ground of invalidity.

[2] Second, ProSlide argues for a more flexible test for patent infringement. It argues that a patentee's exclusive right in a Canadian patent is infringed if sufficient design and development activities in relation to an unlicensed article that incorporates all of the essential elements of the claims are done in Canada, even if the physical components thereof are never manufactured, assembled or located in Canada.

[3] Third, the respondent, WhiteWater West Industries, Ltd. (WhiteWater), in its cross-appeal, argues that the disclosure requirement for a sound prediction of the utility of a patented invention, which is necessary for the validity of the patent when the utility of the invention has not been demonstrated at the time of filing the patent application, is more rigorous than ProSlide maintains. Specifically, WhiteWater argues that the disclosure requirement demands that the patent specification include the factual basis for the prediction of utility and the articulable and sound line of reasoning therefrom to permit an inference supporting utility.

[4] These legal questions arise from a decision of the Federal Court (2024 FC 1439, the FC Decision), which concluded that numerous claims of several patents owned by ProSlide were invalid and also not infringed by WhiteWater. One of the patents addressed in the FC Decision, Canadian Patent No. 2,778,601, is no longer in issue. The other three patents, Canadian Patent No. 2,951,552 (the 552 Patent), Canadian Patent No. 3,063,073 (the 073 Patent), and Canadian Patent No. 3,085,150 (the 150 Patent), are related to one another – the 073 and 150 Patents were

issued from divisional patent applications based on the parent patent application that issued as the 552 Patent. All three have similar disclosures and bear the same filing date: March 3, 2015. They differ principally in their claims.

[5] The 552, 073 and 150 Patents (collectively, the 552 Patent Family) are entitled “Water Ride” and describe water slide rides and features thereof. They were issued on July 21, September 8 and November 24, 2020, respectively. They all name Richard D. Hunter, President and Chief Executive Officer of ProSlide, as the inventor. The Federal Court described these patents as follows at paragraph 12 of the FC Decision:

The 552 Patent Family disclose similar, but not identical, specifications. The specifications all teach that park owners seek new and innovative rides that provide exciting and thrilling experiences to consumers. The specifications also cite a number of known water ride designs, including one containing a closed loop section and another containing a “bowl” with an exit at the bottom center. The patents go on to state that there is a need for water rides that resolve the disadvantages of the prior art and provide more exciting experiences. Each specification goes on to summarize various embodiments of the claimed inventions, followed by detailed drawings and descriptions.

[6] The Federal Court ended paragraph 12 with a reference to Figures 1A and 1C from the 552 Patent Family, reproduced here:

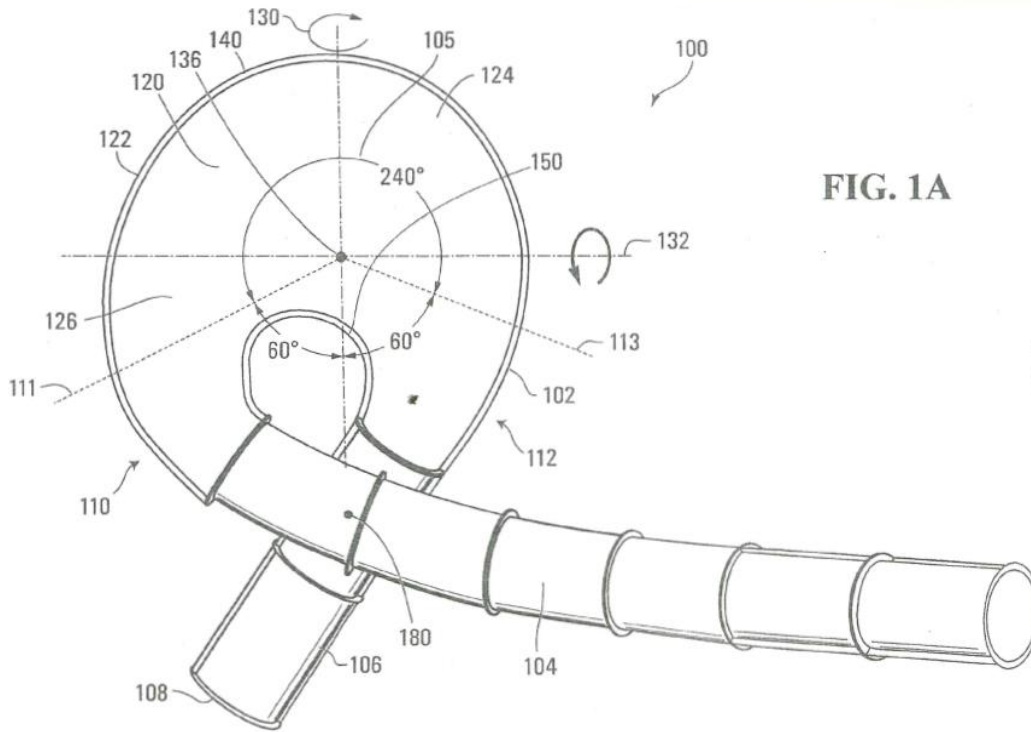


FIG. 1A

1/49

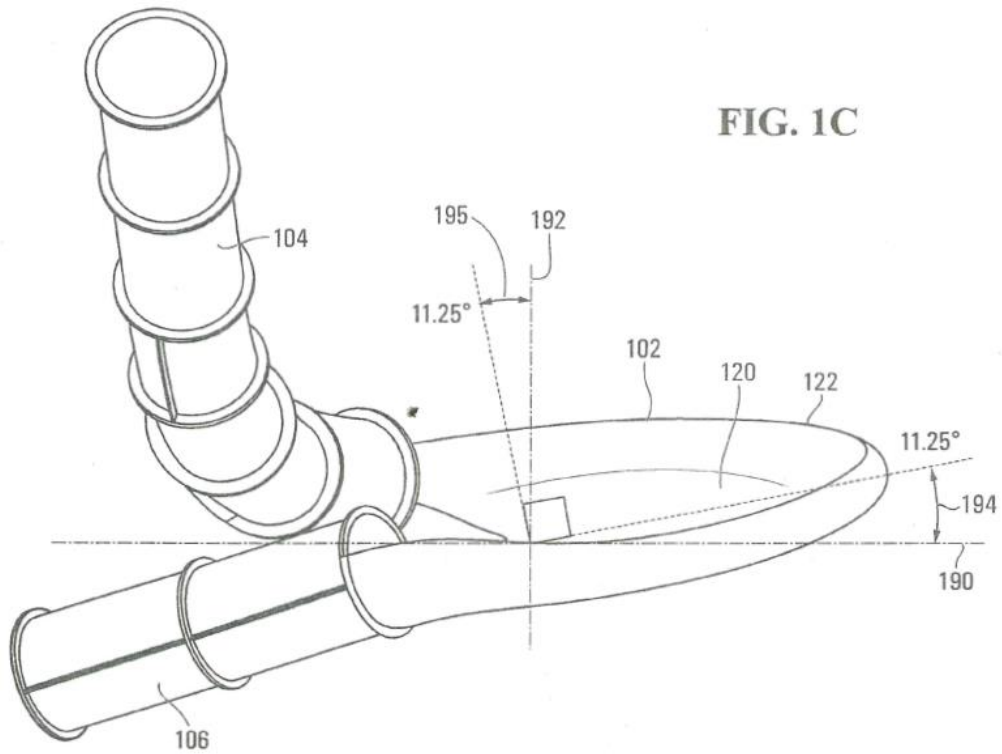


FIG. 1C

[7] ProSlide and WhiteWater, both based in Canada, are the largest competitors in the global market for water slides. Their customers are mainly water, theme and amusement parks all over the world.

II. Decision Under Appeal

[8] As indicated above, the Federal Court found that the asserted claims of the patents that remain in issue were invalid and also not infringed by WhiteWater. The FC Decision addressed many issues related to the 552 Patent Family, some of which are no longer in dispute. These include issues of claim construction and other grounds of invalidity such as ambiguity, anticipation and obviousness.

[9] Of specific relevance to the appeal, the Federal Court found the asserted claims of the 552 Patent Family to be invalid for overbreadth and not infringed. Of specific relevance to the cross-appeal, the Federal Court found the asserted claims of the 552 Patent Family were not invalid for lack of utility.

A. *Overbreadth*

[10] At paragraph 145 of the FC Decision, the Federal Court described the legal principle applicable to overbreadth as follows: “If a claim is broader than (a) what was disclosed or (b) what was actually invented, then that claim is invalid for overbreadth”. As support for this principle, the Federal Court cited two decisions of this Court: *Western Oilfield Equipment*

Rentals Ltd. v. M-I L.L.C., 2021 FCA 24, [2021] 2 F.C.R. 582 at para. 128 (*Western Oilfield*), and *Leithiser v. Pengo Hydra-Pull of Canada, Ltd.*, [1974] 2 F.C. 954 at 965.

[11] At paragraph 235 of the FC Decision, the Federal Court indicated that its conclusions on overbreadth regarding the 552 Patent applied also to the 073 and 150 Patents.

[12] After considering the testimony of the inventor, Mr. Hunter, as to the nature of the slide features he contemplated, and testimony of experts as to how a person skilled in the art would understand Mr. Hunter's work, the Federal Court found that there were four key aspects of the invention made, one or more of which were omitted from each of the asserted claims (see paragraphs 251 and 252 of the FC Decision). On this basis, the Federal Court concluded that the asserted claims were invalid for being broader than the invention made (essentially, because the asserted claims do not contain language that limits them to these key aspects).

[13] The four key aspects the Federal Court found were as follows:

- A. The feature being part of a water slide (as opposed to any other kind of amusement ride);
- B. Combining a non-zero roll angle with a pitch angle of zero;
- C. A compounding outer wall; and
- D. A substantially planar surface as part of the sliding surface.

B. *Infringement*

[14] The Federal Court began its infringement analysis at paragraph 114 of the FC Decision by recognizing the principles that:

- A. A patentee enjoys the exclusive right to make, construct, use and sell the invention claimed in their patent (section 42 of the *Patent Act*, R.S.C. 1985, c. P-4);
- B. With some exceptions not relevant here, the patentee's exclusive right is infringed when anyone other than the patentee makes, constructs, uses or sells an article that embodies all the essential elements of the invention as claimed (*Monsanto Canada Inc v. Schmeiser*, 2004 SCC 34, [2004] 1 S.C.R. 902 at para. 30 (*Monsanto*)); and
- C. The making, constructing, using or selling must occur within Canada for liability to arise under Canadian law (*Hospira Healthcare Corporation v. Kennedy Trust for Rheumatology Research*, 2020 FCA 30, [2020] F.C.J. No. 179, at para. 36; *Domco Industries Ltd. v. Mannington Mills Inc.*, 1990 CanLII 13668 (F.C.A.), 29 C.P.R. (3d) 481 at 494-95 (*Domco*)).

[15] WhiteWater's defence on infringement was that the manufacturing of the components of its allegedly infringing products was done by third party subcontractors outside Canada. None of the products in issue was physically manufactured, assembled or used in Canada. In response, ProSlide argued that WhiteWater's activities nevertheless infringed because virtually all design

and development activities short of physical manufacture took place in Canada. As described at paragraph 118 of the FC Decision:

ProSlide specifically alleges that WhiteWater (1) creates pre-contract conceptual designs to promote its products, (2) generates detailed computer-aided designs and mechanical specification drawings in Canada for each product it sells, (3) provides these designs and drawings to subcontractors, who then manufacture the impugned articles' components outside of Canada, (4) inspects and audits the moulds and parts created by the subcontractors, (5) sends instructions for the assembly, and (6) supervises installation, among other things.

[16] Based on these activities, ProSlide argued that there was infringement arising from a “real and substantial connection to Canada” as contemplated in *Society of Composers, Authors and Music Publishers of Canada v. Canadian Assn. of Internet Providers*, 2004 SCC 45, [2004] 2 S.C.R. 427 (*SOCAN*).

[17] The Federal Court based its conclusion that WhiteWater's activities did not amount to infringement on this Court's recent decision in *Steelhead LNG (ASLNG) Ltd. v. Arc Resources Ltd.*, 2024 FCA 67 (*Steelhead*). At paragraph 120 of the FC Decision, the Federal Court stated as follows:

The legal principles expounded by the Court of Appeal in *Steelhead* provide a complete answer to ProSlide's argument as to what constitutes “use”. Where a patent claims a physical object, the patentee's exclusive rights under section 42 of the *Patent Act* to “use” the invention extend only to that object. They do not also include the use of conceptual designs or drawings of that object (*Steelhead* at paras 70-72). ProSlide has not satisfied me that there is anything in this proceeding that would justify departing from, re-examining, or expanding on the legal principles as espoused in *Steelhead*.

[18] The Federal Court continued by indicating that the discussion above in *Steelhead* concerning the use of a patented invention applies equally to making the patented invention.

C. *Utility (Sound Prediction)*

[19] The Federal Court outlined the legal principles applicable to utility, and the doctrine of sound prediction specifically, at paragraphs 146 and following of the FC Decision. The Federal Court noted that the definition of “invention” in section 2 of the *Patent Act* requires that it be useful. No particular degree or quantum of utility is required; a mere scintilla of utility will do: *AstraZeneca Canada Inc. v. Apotex Inc.*, 2017 SCC 36, [2017] 1 S.C.R. 943 at para. 55. As noted at the beginning of these reasons, utility may be established by either demonstration or sound prediction as of the filing date of the patent application: *Apotex Inc. v. Wellcome Foundation Ltd.*, 2002 SCC 77, [2002] 4 S.C.R. 153 at para. 56 (*Wellcome*).

[20] The requirements for a sound prediction of utility are set out at paragraph 70 of *Wellcome*:

The doctrine of sound prediction has three components. Firstly, as here, there must be a factual basis for the prediction... Secondly, the inventor must have at the date of the patent application an articulable and “sound” line of reasoning from which the desired result can be inferred from the factual basis... Thirdly, there must be proper disclosure.

[21] The issue in the cross-appeal concerns the requirement of “proper disclosure”.

[22] The Federal Court noted that the skilled person is presumed to have the benefit of their common general knowledge when reading a patent. Therefore, where the factual basis is founded on the common general knowledge and the line of reasoning would be apparent to the skilled person, the disclosure requirement may be met by describing the invention in sufficient detail such that it can be practised: *Bell Helicopter Textron Canada Limitée v. Eurocopter, société par actions simplifiée*, 2013 FCA 219, [2013] F.C.J. No. 1043 at para. 155.

[23] This much of the Federal Court's discussion of the legal principles applicable to the doctrine of sound prediction appears to be uncontroversial. However, the following additional statement at paragraph 149 of the FC Decision gives rise to controversy as to whether a heightened disclosure requirement applies to sound prediction:

At other times, the factual basis and line of reasoning are not immediately clear without explicit disclosure. In such cases, failure to explicitly disclose the factual basis and the line of reasoning is cause for invalidity due to lack of utility.

[24] The Federal Court also noted a dispute concerning the distinction between demonstration of utility and predicted utility. That dispute is no longer in issue, and there is no longer any argument that ProSlide demonstrated utility prior to the filing date of the 552 Patent Family.

[25] The Federal Court noted that WhiteWater bore the onus to show that the asserted claims of the 552 Patent Family lacked utility. In the absence of demonstrated utility prior to the filing date, WhiteWater had to show a failure to meet the requirements for sound prediction of utility. The Federal Court concluded that the asserted claims had the required scintilla of utility in that a

rider could enter, traverse and exit the claimed slide feature. It was not seriously disputed that there was a factual basis and a sound line of reasoning to support utility. Therefore, WhiteWater had to show that there was no proper disclosure in the 552 Patent Family.

[26] The Federal Court concluded at paragraph 259 of the FC Decision that the 552 Patent Family's specifications disclose both the factual basis upon which utility was predicted as well as the line of reasoning, and hence the requirements for sound prediction were met. The Federal Court dismissed WhiteWater's allegations of invalidity for lack of utility.

III. Standard of Review

[27] The parties agree, and I concur, that the appellate standards of review apply in the present appeal and cross-appeal. Questions of law are reviewed on a standard of correctness, and questions of fact or of mixed fact and law from which no question of law is extricable are reviewed on a standard of palpable and overriding error: *Housen v. Nikolaisen*, 2002 SCC 33, [2002] 2 S.C.R. 235.

IV. Analysis

A. *Overbreadth*

[28] As indicated above, ProSlide argues that claiming more broadly in a patent than the invention made (as distinguished from claiming more broadly than the invention disclosed) is not

a proper ground of invalidity. At the hearing of the appeal, ProSlide's counsel took the Court through the history of the oft-stated principle reproduced at paragraph 10 above that a claim is invalid for overbreadth if it claims more than was disclosed or more than was invented. This principle appears to have its Canadian origin in the Exchequer Court decision in *Farbwerke Hoechst Aktiengesellschaft Vormals Meister Lucius & Bruning v. The Commissioner of Patents*, [1966] Ex. C.R. 91 at 106.

[29] ProSlide argues that to invalidate a patent claim because it is broader than the invention made contradicts fundamental principles of patent law.

[30] In my view, it is not necessary to enter into a detailed discussion of the fundamental basis for the general understanding of the doctrine of overbreadth. For the purposes of this appeal, it is sufficient to note that this Court has twice recently confirmed the doctrine, both times by my hand: *Western Oilfield* at para. 128 (cited in the FC Decision), and *Seedlings Life Science Ventures, LLC v. Pfizer Canada ULC*, 2021 FCA 154, [2022] 1 F.C.R. 40 at para. 50 (*Seedlings*). In *Seedlings*, the validity of the doctrine of overbreadth was in dispute.

[31] ProSlide has not acknowledged the requirement that, in order for a Court to override a prior decision, it must find that the previous decision was manifestly wrong, in the sense that the Court overlooked a relevant statutory provision, or a case that ought to have been followed: *Miller v. Canada (Attorney General)*, 2002 FCA 370, [2002] F.C.J. No. 1375 at para. 10. The Supreme Court of Canada has more recently listed circumstances in which a court may refuse to follow its own precedent: (i) the rationale of an earlier decision has been undermined by

subsequent appellate decisions; (ii) the earlier decision was reached *per incuriam* (“through carelessness” or “by inadvertence”); or (iii) the earlier decision was not fully considered, e.g. taken in exigent circumstances: *R. v. Sullivan*, 2022 SCC 19, [2022] 1 S.C.R. 460 at para. 75 (*Sullivan*). I am not convinced that the statements in *Western Oilfield* and *Seedlings* noted in the previous paragraph are wrong (manifestly or not) or that any of the circumstances identified in *Sullivan* apply here. Neither am I convinced that the decisions in *Western Oilfield* and *Seedlings* can be distinguished on the facts.

[32] Moreover, I remain convinced that the statement of the doctrine of overbreadth at paragraph 10 above does not conflict with other principles of patent law. As I stated in *Western Oilfield* at paragraph 129, and quoted in *Seedlings* at paragraph 50:

The concept of claim invalidity for overbreadth (or overclaiming) arises from the combination of the requirements that a patent specification (i) correctly and fully describe the invention (see subsection 27(3) of the *Patent Act*), and (ii) include “claims defining distinctly and in explicit terms the subject-matter of the invention for which an exclusive privilege or property is claimed” (see subsection 27(4)). One may also consider overclaiming as a natural consequence of the bargain theory of patent law as described in *Free World Trust*, [*v. Électro Santé Inc.*, 2000 SCC 66, [2000] 2 S.C.R. 1024] at paragraph 13: “[i]n return for disclosure of the invention to the public, the inventor acquires for a limited time the exclusive right to exploit it.” If a patent claims more than it describes, or more than the inventor has made, it gives the patentee more than the bargain entitles them to. Such a claim violates the bargain and is therefore invalid.

[emphasis added]

[33] As indicated by the emphasized clause, the foregoing statement clearly applies to the arm of overclaiming that relates to the invention made.

[34] I noted in *Western Oilfield* that overbreadth often overlaps with other grounds of invalidity, but this fact does not impair overbreadth as a distinct ground of patent invalidity. In a similar vein, I acknowledge that it is not entirely clear how a claimed invention could be broader than the invention made without also being broader than the invention disclosed, but this is not a basis to override consistent jurisprudence.

[35] This observation brings me to another issue with the Federal Court's analysis of overbreadth. While I recognize that the Federal Court committed no error in recognizing the existence of claiming more broadly than the invention made as being a ground of invalidity, I find that the Federal Court did err in finding in this case that the asserted claims were invalid for being broader than the invention made. Specifically, my concern is that the Federal Court seems to have arrived at a conclusion as to what the inventor contemplated based on (i) testimony of the inventor as to what he contemplated during the development of the patented product (prior to filing the patent application), and (ii) expert testimony as to the perspective of a skilled person concerning this development work, but without regard to the invention as described in the 552 Patent Family.

[36] Despite my acknowledgement that claiming more broadly than the invention made is a distinct ground of invalidity from claiming more broadly than the invention disclosed, it does not follow that the invention made (or contemplated) should be determined without reference to the patent specification. On the contrary, in most cases, it is difficult to imagine a more reliable (and more timely) indication of what the inventor contemplated than the patent specification. The relevant date for assessing the issue of overclaiming is the filing date of the patent application,

and that patent application is an explicit and carefully written statement on that date of what the inventor had in mind. The Federal Court did not state that it was ignoring the content of the specification when determining the invention made, but it also did not attempt to explain the apparent conflict between its conclusions as to the features that it saw as key aspects of the invention and the statements in that specification.

[37] As noted at paragraphs 12 and 13 above, the Federal Court found that the four key aspects of the invention made were omitted from the asserted claims. However, each of these aspects is explicitly indicated in the patent specification of the 552 Patent Family as not being essential. Taking each of these aspects in turn:

- A. With regard to the feature being part of a water slide, the specification indicates that slides other than water slides are contemplated as follows at page 7: “[i]n other embodiments, the slide feature 102 may be lubricated with other substances and/or may be formed with a material that does not require lubrication, for example a low friction material”;
- B. With regard to the combination of a non-zero roll angle with a pitch angle of zero, the specification indicates that other combinations are contemplated as follows at page 13: “[e]ach of the roll angle 196 and the pitch angle 194 may be adjusted to provide a more or less thrilling ride experience”;
- C. With regard to the compounding outer wall, the specification indicates that this feature is not essential as follows at pages 11-12: “[o]ther embodiments may

provide for the sliding surface 120 to have a constant or expanding radius from the inrun 110 to the outrun 112”;

- D. With regard to the substantially planar surface as part of the sliding surface, the specification indicates that this feature is likewise not essential as follows at pages 9-10: “[t]he sliding surface 120 may have an uneven or textured surface. In some embodiments, sliding surface 120 may be convex or concave, in whole or in part”.

[38] WhiteWater does not dispute that these passages disclose possible variations on aspects of the invention that the Federal Court saw as key. Rather, WhiteWater argues that the Federal Court did not err in focusing on the work of the inventor. Fair enough, however, neither the Federal Court nor WhiteWater has explained why the above-cited statements in the patent specification as to variations that were contemplated should be ignored in favour of evidence as to what the inventor had in mind during a time prior to the filing of the patent application.

[39] In my view, the Federal Court erred in finding that the features discussed above were key aspects of the invention whose omission from the asserted claims could lead to a conclusion of overclaiming. I would reverse the Federal Court’s finding that the asserted claims are invalid for overclaiming.

B. *Infringement*

[40] As stated by the Federal Court, section 42 of the *Patent Act* identifies the rights exclusive to a patentee, and these include making and using the claimed invention. There is no dispute that

WhiteWater's products in issue incorporate all of the essential elements of the asserted claims. There is also no dispute that it is WhiteWater's activities in Canada that are relevant for assessing infringement. The dispute is whether WhiteWater's activities in Canada amount to infringement.

[41] ProSlide argues that WhiteWater's activities described at paragraph 15 above amount to making and using the claimed invention. ProSlide asserts that WhiteWater's activities in Canada are not limited to research and development, and extend to testing, validation and detailed design of each of the many components that must be precisely manufactured and assembled to make a usable water slide as claimed. ProSlide argues that the ready availability of sophisticated modern design software and digital communications tools has changed the product development process such that some principles followed in the jurisprudence regarding the threshold for making or using an invention should be scrutinized.

[42] As support for this more flexible approach to assessing infringement, ProSlide refers to the following passage from *Théberge v. Galerie d'Art du Petit Champlain inc.*, 2002 SCC 34, [2002] 2 S.C.R. 336 at para. 47 (*Théberge*):

This is not to say that the Act recognizes only literal physical, mechanical reproduction. The legal concept has broadened over time to recognize what might be called metaphorical copying (transformation to another medium, e.g. books to films). It is recognized that technologies have evolved by which expression could be reproduced in ways undreamt of in earlier periods, such as evanescent and "virtual" copies in electronic formats. Transformation of an artistic work from two dimensions to three dimensions, or *vice versa*, will infringe copyright even though the physical reproduction of the original expression of that work has not been mechanically copied.

[43] This passage concerned the issue of copyright infringement and should be approached with care when applied in the context of allegations of patent infringement. For one thing, while the *Copyright Act*, R.S.C., 1985, c. C-42 has indeed undergone many amendments in recent years as to what constitutes infringement, the same cannot be said of the *Patent Act*.

[44] ProSlide also relies on *SOCAN* at paragraph 58, citing *Libman v. The Queen*, 1985 CanLII 51 (S.C.C.), [1985] 2 S.C.R. 178, which referred to fraudulent transactions that take place “both here and there” (meaning within Canada and without) such that “all that is necessary to make an offence subject to the jurisdiction of our courts is that a significant portion of the activities constituting that offence took place in Canada” [original emphasis]. This is the basis for the “real and substantial connection to Canada” test that ProSlide urges this Court to adopt for assessing patent infringement.

[45] As with *Théberge*, *SOCAN* concerned copyright and should therefore be approached with care when applied in the field of patents. *SOCAN* concerned music downloaded in Canada from servers located abroad using the internet. In this sense, the activities in question indeed took place “both here and there”. The activities that ProSlide argues constitute patent infringement in the present case are not analogous. Though WhiteWater’s product development activities took place in Canada and were a prerequisite to the making and using activities that ultimately took place abroad, it is not clear that any of these activities took place “both here and there” in the sense discussed in *SOCAN*. Rather, the activities that could constitute infringement (physically making, assembling and using) took place abroad, and the activities that took place in Canada did not constitute infringement.

[46] ProSlide further relies on the statement in *Monsanto* at paragraph 43 that patent infringement arises from “depriving the inventor, even in part and even indirectly, of the monopoly that the law intends to be theirs: only the inventor is entitled, by virtue of the patent and as a matter of law, to the full enjoyment of the monopoly conferred” [original emphasis]. However, this statement begs the question as to what is the “monopoly conferred” by a Canadian patent. As noted by the Federal Court, that monopoly is territorially limited to Canada. The jurisprudence that finds patent infringement based on activities outside Canada all have an anchor in eventual infringing activities within Canada.

[47] For example, in *Beloit Canada Ltd. v. Valmet-Dominion Inc.*, [1997] 3 F.C. 497, 73 C.P.R. (3d) 321, infringing paper machines were made and sold for use outside Canada, but the components thereof were made and assembled for testing in Canada prior to being disassembled for export.

[48] In *Pfizer Canada Inc. v. Canada (Health)*, 2007 FC 898, 61 C.P.R. (4th) 137, the patented compound would be present as an intermediate in the manufacturing process abroad, and the resulting final product (which by then would be missing the patented compound) would later be sold in Canada. The Federal Court found the importation of a product made abroad using a patented compound would be an infringement of the Canadian patent under the well-known *Saccharin* doctrine, named after the U.K. decision in *Saccharin Corp. Ltd. v. Anglo-Continental Chemical Works, Ltd* (1900), 17 R.P.C. 307 (Ch.).

[49] Finally, in *Bauer Hockey Corp. v. Easton Sports Canada Inc.*, 2010 FC 361, 83 C.P.R. (4th) 315, aff'd 2011 FCA 83, 92 C.P.R. (4th) 103, a third party involved in the conception, making and adjusting of patterns, dyes and prototypes for an infringing skate boot was found to have infringed the patent under the doctrine of inducing infringement. All of the activities of inducing infringement and of direct infringement occurred in Canada.

[50] For its part, WhiteWater cites *Domco* in which the absence of specific infringing acts in Canada was sufficient to avoid liability. There, the defendant acknowledged that (1) it had distributors in Canada, (2) the product was sold under its trademarks in Canada, (3) it supplied product catalogues in Canada, (4) it sold store displays to its Canadian distributors and gave them price lists, (5) it had salaried sales representatives in Canada who promoted the sale of its products in Canada, and (6) it advertised its products in magazines that circulated in Canada. However, this Court found no infringement of the Canadian patent because the products in question were sold outside Canada F.O.B. (“free on board” or “freight on board”), meaning that title therein passed prior to their importation into Canada, and hence the defendant never engaged in any infringing activities in Canada.

[51] WhiteWater also relies on this Court’s recent decision in *Steelhead*, as did the Federal Court at paragraph 120 of the FC Decision, for the principle that infringement of a patent by use of a claim on a physical object (as are the asserted claims here) can occur only by use of that object, and not by use of designs and drawings thereof. ProSlide attempts to distinguish *Steelhead* on the basis that WhiteWater’s design process in the present case was far more advanced than was the case in *Steelhead*. However, the principle stated therein remains

applicable on the facts of this case. The asserted claims concern slide features for amusement rides, and WhiteWater's activities in Canada did not extend to physically using the claimed slide features. The extent to which WhiteWater's designs, drawings and testing had advanced does not alter this fact.

[52] Moreover, I agree with the Federal Court that the discussion in *Steelhead* concerning “using” a claim applies equally to “making”. As stated in paragraph 121 of the FC Decision, “there is no basis in law to find that generating detailed computer-aided designs and mechanical drawings in Canada is “making” the claimed invention, where the invention as claimed is for a physical object.” Treating “making” differently from “using” could create significant uncertainty as to what product development activities would, or would not, be sufficient to constitute patent infringement. In my view, it would be for Parliament (not the courts) to move the threshold for patent infringement, as it has done for copyright infringement.

[53] I conclude that the Federal Court did not err in its analysis of the issue of infringement. Remedies for the unlicensed use of a patented invention outside Canada may be available based on corresponding patents that may be obtained in other jurisdictions.

C. *Utility (Sound Prediction)*

[54] Despite my view that the Federal Court's conclusion of non-infringement was valid, the issue of utility remains relevant because, as a result of my conclusion on the issue of overbreadth, the validity of the asserted claims now turns on utility.

[55] As indicated above, the Federal Court found that the requirements for a sound prediction of utility were met, and hence the asserted claims were not invalid for lack of utility. By way of cross-appeal, WhiteWater argues that the Federal Court erred on this issue in two respects. Firstly, it argues that the Federal Court misunderstood and misapplied the disclosure requirement for sound prediction. Secondly, it argues that the Federal Court made erroneous findings of fact.

[56] WhiteWater's first argument concerns the level of disclosure that is required to meet the test. WhiteWater argues that the Federal Court failed to recognize the requirement that the 552 Patent Family specifications disclose the testing that was necessary to predict that the claimed slide features would have utility.

[57] WhiteWater's second argument is that, quite aside from the first argument, the Federal Court erred in fact in its conclusions that the factual basis for the prediction of utility (computer-aided designs to simulate ride paths and the skilled person's appreciation that testing using such computer-aided designs was performed) was adequately disclosed. WhiteWater argues that there was no evidence to support such a conclusion.

[58] Much of the parties' submissions on the first argument (concerning the required level of disclosure) relate to whether a heightened disclosure requirement applies when sound prediction of utility is in issue and, if so, whether such heightened disclosure requirement applies generally or only to inventions related to new uses of known compounds or articles. It is not necessary to answer these questions in this case because (i) the Federal Court applied a heightened disclosure requirement and still found that the disclosure requirement had been met in the 552 Patent

Family (see paragraphs 149 and 259 to 261 of the FC Decision), and (ii) as explained in the paragraphs below, I find that the Federal Court did not err in its conclusion that the asserted claims do not lack utility.

[59] Once the legal question of heightened disclosure requirement is removed from the debate, WhiteWater's first and second arguments on utility overlap considerably. They both concern whether the Federal Court erred in finding that the disclosure of the 552 Patent Family was sufficient to inform a skilled reader of the factual basis for a prediction of utility and the sound line of reasoning from which the desired result can be inferred from that factual basis. Both arguments are based on the evidence and are factually-suffused such that WhiteWater must satisfy this Court that the Federal Court made a palpable and overriding error.

[60] WhiteWater notes that much of ProSlide's testing to confirm the utility of the inventions of the 552 Patent Family was not included in the specifications. WhiteWater takes issue with the statement at paragraph 259 of the FC Decision that computer-aided designs used to simulate ride paths to test the invention were disclosed in the figures of the 552 Patent Family. It also takes issue with the statement at paragraph 261 of the FC Decision that the skilled reader of the 552 Patent Family "would appreciate that testing was performed, that it involved computer-aided designs, and that the embodiments disclosed are the result of those tests and designs."

WhiteWater argues that there was no evidence to support these statements.

[61] I am not convinced that the Federal Court erred in making either of the foregoing statements. With regard to the latter statement, it is important to note the Federal Court's

observation that “[t]he features claimed are shown not to be fanciful, inoperable, or speculative.” This is a proper recognition that the threshold for soundness of the prediction is not high, as noted in paragraph 19 above. Moreover, the Federal Court correctly noted that the utility that must be soundly predicted is limited to a rider entering, traversing and then exiting the slide feature.

[62] With regard to the disclosure of testing, the Federal Court correctly indicated that to predict utility it was not necessary to disclose all testing methods that ProSlide had used. It was, for example, not necessary to disclose testing related to safety or enjoyment. As ProSlide argues, the claimed inventions concern slide features, not testing methodologies.

[63] I also find no palpable and overriding error in the Federal Court’s finding that the computer-aided designs that were used to simulate ride paths to test the invention were disclosed in the figures of the 552 Patent Family. I agree with ProSlide’s argument that there was evidence upon which the Federal Court was entitled to rely to make this finding: for example, paragraph 224 of the confidential second expert report of Jason Young, appeal book volume 10, tab 69.

V. Conclusion

[64] For the reasons set out above, I would allow the appeal in part and dismiss the cross-appeal. I would strike paragraphs 3, 4 and 5 of the Federal Court’s Judgment concerning the invalidity of the asserted claims for overbreadth such that the validity of the asserted claims would be restored.

[65] I would invite the parties to reach agreement on the costs of the appeal and cross-appeal. If they are not able to agree, I would permit each of them to serve and file submissions on costs, not to exceed eight pages in length, within 15 days following the date of this decision. I would also permit the parties to serve and file submissions responsive to each other's submissions, not to exceed five pages in length, within 10 days thereafter.

"George R. Locke"

J.A.

"I agree.

Sylvie E. Roussel J.A."

"I agree.

Gerald Heckman J.A. "

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

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STYLE OF CAUSE: PROSLIDE TECHNOLOGY INC.
v. WHITEWATER WEST
INDUSTRIES, LTD.

PLACE OF HEARING: OTTAWA, ONTARIO

DATE OF HEARING: DECEMBER 15, 2025

REASONS FOR JUDGMENT BY: LOCKE J.A.

CONCURRED IN BY: ROUSSEL J.A.
HECKMAN J.A.

DATED: MARCH 20, 2026

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