Ontario Court Analyses Role of Parallel Proceedings in Application for Stay

In Molson Coors Brewing Co. v. Miller Brewing Co. (available here) the Ontario Superior Court of Justice stayed proceedings between two North American beer titans in favour of parallel litigation underway in Wisconsin. The dispute concerned a licence agreement that did not contain an express jurisdiction clause but that was expressly governed by Ontario law. The proceedings in Wisconsin were commenced first, but only three months earlier than the Ontario litigation. The Wisconsin court had refused to grant a motion by Molson to stay its proceedings, leading Miller to then seek to stay the Ontario proceedings.

The most interesting part of the decision addresses the role parallel proceedings should be accorded in the *forum non conveniens* analysis. The court states that the existence of parallel proceedings should not trump all other factors. But it goes on to note that "absent concerns of injustice to the individual parties, a court may rightly elevate the factors of international comity, judicial efficiency, distribution of resources, and the avoidance of inconsistent results when performing the *forum non conveniens* analysis."

The court also offers some interesting observations about the relationship between Canada and the United States of America. One such observation is that "A court system that permits or encourages the commencement and continuation of parallel proceedings as a litigation strategy works against the achievement of a more seemless continental economy and sensible approach to dispute resolution."