

IN THE SUPREME COURT OF NOVA SCOTIA

Citation: Sable Offshore Energy Inc. v. Ameron International Corporation,
2006 NSSC 332

Date: 20061106

Docket: SH 220343

Registry: Halifax

Between:

Sable Offshore Energy Inc., as agent for and on behalf of the Working Interest Owners of the **Sable Offshore Energy Project, ExxonMobil Canada Properties, Shell Canada Limited, Imperial Oil Resources, Mosbacher Operating Ltd.**, and **Pengrowth Corporation; ExxonMobil Canada Properties** as operator of the **Sable Offshore Energy Project**

Plaintiffs

and

Ameron International Corporation; Ameron (UK) Limited; Ameron B.V.; Allcolour Paint Limited; Amercoat Canada; Rubyco Ltd.; Danroh Inc.; Serious Business Inc.; Barrier Limited; Parker Brothers Contracting Limited; Rko Steel Limited; Cherubini Metal Works Limited; Comstock Canada Ltd.; Adam Clark Company Ltd.; A.B. Mechanical Limited; A & G Crane Rentals Limited carrying on business as **A & G Crane Limited; A.M.L. Painting Limited; Argo Protective Coatings Incorporated; Allsteel Coating Limited; Mills Painting & Sandblasting Limited**

Defendants

and

Amec E & C Services Limited, successor to Agra Monenco Inc., in their own right, **Kellogg Brown & Root**, a division of Haliburton Group Canada Inc. and **Amec Black & McDonald Limited** operating as BMS Offshore, successor to BMS Offshore Limited, in their own right and/or collectively operating as BBA, a joint venture

Third Parties

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- Judge:** The Honourable Justice Suzanne M. Hood
- Heard:** July 18, 2006 in Halifax, Nova Scotia
- Written Decision:** November 6, 2006
- Subject:** *CPR 14.25(1)(a)*, striking of pleadings on the basis of no reasonable cause of action or, alternatively, inadequacy of the pleadings. Economic loss claims after *Winnipeg Condominium Corporation No. 36 v. Bird Construction Co.*, [1995] 1 S.C.R. 85.
- Summary:** Plaintiffs claim for damages arising from paint failures on the Sable Offshore Energy Project's onshore and offshore facilities. Two of the defendants seek to strike one of the claims against them, a negligence claim.
- Issue:**
1. Is there a claim for pure economic loss for a non-dangerous product or defect?
 2. Does the claim fall within *Winnipeg Condo*: are the pleadings adequate?
 3. Is this a claim for economic loss or property damage?
 4. Is *Junior Books Ltd. v. Veitchi Co. Ltd.*, [1982] 3 All ER 201 (H.L.) good law in Canada? It allowed a claim for economic loss where there was no personal injury or damage to property.
- Result:** It is not plain and obvious that the claim cannot succeed.

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