Federal Court of Appeal | Cour d'appel fédérale

Date: 20101210

Docket: A-387-10

Citation: 2010 FCA 338

Present: **LAYDEN-STEVENSON J.A.**

BETWEEN:

ELI LILLY AND COMPANY

Appellant

and

TEVA CANADA LIMITED
(formerly known as NOVOPHARM LIMITED)

Respondent

Dealt with in writing without appearance of parties.

Order delivered at Ottawa, Ontario, on December 10, 2010.

REASONS FOR ORDER BY: LAYDEN-STEVENSON J.A.

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REASONS FOR ORDER

LAYDEN-STEVENSON J.A.

[1] The appellant and the respondent are in substantial agreement as to the contents of the appeal book. They have been unable to agree with respect to a few specific items. Hence, the motion before me is for the purpose of resolving those areas upon which they do not agree.

[2] The appeal arises out of an action where the respondent sought to impeach Canadian Patent 2,209,735, owned by the appellant. The trial judge found the patent invalid for want of utility.

[3] The appellant submits that a number of documents should be included in the appeal book as they are necessary and relevant to issues on appeal. It proposes to include the disputed documents in

a separate volume of the appeal book, specifically in volume 16. I will address each of the disputed items.

[4] The appellant argues that the trial judge erred in failing to limit Dr. Virani's expertise and subsequent testimony. To this end, it proposes to include exhibit P-C, which contains Dr.Virani's proposed expert qualifications. The respondent maintains that P-C constitutes a brief of the proposed expert qualifications, objections and argument of counsel. It was not offered as evidence at the trial. In my view, if there is to be argument on appeal regarding the designation of expertise and its subsequent impact, it would be helpful to the court to have the qualifications of the expert available to it. Therefore, the proposed expert qualifications of Dr. Virani, exclusive of any other material that may be contained in the brief, may be included in the appeal book.

[5] The next items relate to an alleged procedural error on the part of the trial judge, that is, permitting the respondent to enter the reply testimony of Dr. Virani during the respondent's case-in-chief. The appellant claims that the reply expert report of Dr. Virani dated April 30, 2010 is necessary to enable the court to understand the nature of the prejudice arising from the trial judge's error in procedure. The appellant urges error on the side of caution in this respect. I do not believe the reply expert report will be of assistance to the court. Dr. Virani's reply report responded to the appellant's expert, Dr. Barkley, who was not called at trial. Consequently, the Virani reply report was withdrawn and did not form part of the evidence. There is no reference to it in the trial judge's reasons and I see no need to include it in the appeal book.

[6] Document D-H is a letter to the court, written by counsel for the respondent, explaining the outcome of an attempt to enforce letters rogatory for MGH witnesses. The appellant sought to introduce the letter as an exhibit. No ruling was ever made. On this basis, the appellant claims that the letter should be in the appeal book because it was improperly excluded at trial. This particular argument relates to the trial judge's comment that the appellant was not able "to secure the voluntary attendance of any witness with direct knowledge of the Massachusetts General Hospital clinical study (the MGH study) that constituted [the appellant's] evidence of utility." That, however, was not the end of the matter. The trial judge went on and explicitly stated that he drew no adverse inference in this respect. Therefore, the letter would not be of assistance to the court.

[7] The last items can be addressed together. They are paragraph 64 and exhibits 2 and 15 from the expert report of Dr. James John McGough dated April 21, 2009. They were ruled inadmissible by the trial judge and were therefore not before him. The accepted rule is that the appeal book is restricted to documents which were in evidence before the trial judge. Evidence that was not before the trial judge may only be introduced in special circumstances pursuant to an order under Rule 351 of the *Federal Courts Rules*. I have not been persuaded that special circumstances exist here. The appellant's submission that the items are admissible as an exception to the hearsay rule (failing to state the exception) is not persuasive. The appellant can make its arguments on appeal without the inclusion of the document in the appeal book.

[8] There is also disagreement about the manner in which the exhibits are to be described in the appeal book. The appellant has listed the exhibits as they were listed at trial. The respondent

suggests that the descriptions are, in some cases, inadequate. They were sufficient at trial because the trial judge was already familiar with the evidence. More complete descriptions, according to the respondent, would be helpful for the appeal court since it will be seeing the materials for the first time. I see no reason to deviate from the descriptions used at trial and am confident that the panel assigned to hear the case will be able to figure it out.

[9] One final point, in the appellant's proposed volume 16, the last item listed is described as "Volume 5 Transcript, May 18, 2010, page 1074, line 19 to page 1106, line 3. I am unable to locate any reference to this item in the submissions of either party. Since I have no idea what it relates to, I can only assume that it is an item of contention because it is listed in volume 16. Given that I have neither a request nor argument from the appellant in this regard, absent agreement, it should not be included in the appeal book.

[10] In view of my conclusions, it will not be necessary to have a separate volume solely to include the proposed expert qualifications of Dr. Virani. One possibility is that it could be included as item 20.E in volume 6.

"Carolyn Layden-Stevenson"

J.A.

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

DOCKET:	A-387-10
STYLE OF CAUSE:	Eli Lilly and Company v. Teva Canada Limited (formerly known as Novopharm Limited)

MOTION DEALT WITH IN WRITING WITHOUT APPEARANCE OF PARTIES

REASONS FOR ORDER BY:	LAYDEN-STEVENSON J.A.
DATED:	December 10, 2010

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