Federal Court of Appeal | Cour d'appel fédérale

Date: 20190627

Docket: A-178-19

Citation: 2019 FCA 194

CORAM: **GAUTHIER J.A.**
STRATAS J.A.
LASKIN J.A.

BETWEEN:

APOTEX INC.

Appellant

and

BRISTOL-MYERS SQUIBB CANADA CO.
AND BRISTOL-MYERS SQUIBB HOLDINGS
IRELAND UNLIMITED COMPANY

Respondents

Heard at Toronto, Ontario, on June 27, 2019.
Judgment delivered from the Bench at Toronto, Ontario, on June 27, 2019.

REASONS FOR JUDGMENT OF THE COURT BY: GAUTHIER J.A.

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REASONS FOR JUDGMENT OF THE COURT
(Delivered from the Bench at Toronto, Ontario, on June 27, 2019).

GAUTHIER J.A.

[1] This is an appeal by Apotex Inc. from an interlocutory order of Prothonotary Milczynski. The Prothonotary dismissed Apotex's motion to compel answers to five questions the respondents objected to on discovery.

[2] Put broadly, the questions sought details regarding allegations in the respondents' amended reply. The respondents referred to "improved properties", "improved pharmacokinetics" and "advantages and benefits" of apixaban, as disclosed and claimed in Canadian Patent No. 2,461,202 ['202 Patent], relative to prior art Factor Xa inhibitors, including Canadian Patent No. 2,349,330 ['330 Patent], which covers the genus that includes apixaban.

[3] Apotex alleges in its defence to the respondents' action instituted pursuant to ss. 6(1) of the *Patented Medicines (Notice of Compliance) Regulations*, SOR/93-133, among other things, that the '202 Patent is a selection patent that is invalid on several grounds, including, but not limited to, double patenting, anticipation, obviousness and lack of utility.

[4] A discretionary decision of a Prothonotary such as the one here will only be reversed on an error of law or a palpable and overriding error regarding a question of fact or a question of mixed fact and law: *Hospira Healthcare Corp. v. Kennedy Institute of Rheumatology*, 2016 FCA 215, 402 D.L.R. (4th) 497 (F.C.A.) at paras. 64-65, 79. Since *Hospira*, it is clear that the standard of review does not turn on the identity of the decision-maker or her task, but rather depends on the nature of the question (see paras. 51-54, 66-79).

[5] The Prothonotary did not consider the answers to the five questions as framed as relevant, because what "benefit or advantage" is disclosed in the '202 Patent will ultimately be determined as a matter of law by the court construing the patent after considering the expert evidence on how a person skilled in the art would understand the patent language. But she did not stop there.

She considered that even if these questions were relevant, other factors, which she was entitled to consider, warranted the exercise of her discretion not to order answers to the questions.

[6] In particular, she assessed that, in view of the short timelines applicable to the proceedings before her, the answers would serve no useful purpose, particularly if, as suggested by Apotex, those questions were to be answered "subject to expert opinion". She was also satisfied that the matter at issue, *i.e.* the benefit or advantage disclosed by the '202 Patent, if any, would properly be the subject of the skilled person's interpretation of the '202 Patent and expert evidence, and that Apotex's own experts should have no difficulty commenting on these issues, in light of the extensive productions and information disclosed to date, and their own review of the '202 Patent, the '330 Patent, and the so-called '131 Application. She also considered that she could deal with the need for reply evidence, if it arose, in due course.

[7] The Prothonotary heard the efficiency and proportionality arguments put forth by Apotex. However, her assessment of these factors led her to the conclusion that Apotex finds objectionable. Apotex essentially now asks us to reassess these arguments and their impact on the exercise of the decision-maker's discretion. But the standard of review is palpable and overriding error. It is a very difficult standard for an appellant to meet: *Benhaim v. St-Germain*, 2016 SCC 48, [2016] 2 S.C.R. 352, citing *South Yukon Forest Corp. v. R.*, 2012 FCA 165, 4 B.L.R. (5th) 31 at para. 46. We see no reviewable error that would justify this Court's intervention.

[8] In saying this, we might not have exercised our discretion in the same way as the Prothonotary. In most circumstances, early disclosure of facts, evidence and positions advances the efficiency of the proceedings. This being said, the Prothonotary was entitled to arrive at a view of what was best for the progress of these particular proceedings. The appellant will know the case it has to meet, the discovery process was significant and useful, and so we are not persuaded that there is any ground to interfere.

[9] Time is of the essence in this appeal. It is important that the remaining steps in the timetable set out by the Prothonotary as case manager not be delayed. Thus, we express no comment on the Prothonotary‘s conclusion and reasons on the issue of the relevance of the questions, as framed. It is not necessary to do so in this case.

[10] We compliment Mr. Brodkin on his forceful and knowledgeable submissions.

[11] The appeal will be dismissed with costs fixed at the agreed amount of $3,500, inclusive of all costs and disbursements relating to the appeal and leave application.

"Johanne Gauthier"

J.A.

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

APPEAL FROM AN ORDER OF MADAM PROTHONOTARY MILCZYNSKI DATED MARCH 28, 2019, DOCKET NO. T-350-18

DOCKET:	A-178-19
STYLE OF CAUSE:	APOTEX INC. v. BRISTOL-MYERS SQUIBB CANADA CO. AND BRISTOL-MYERS SQUIBB HOLDINGS IRELAND UNLIMITED COMPANY
PLACE OF HEARING:	Toronto, Ontario
DATE OF HEARING:	JUNE 27, 2019
REASONS FOR JUDGMENT OF THE COURT BY:	GAUTHIER J.A. STRATAS J.A. LASKIN J.A.
DELIVERED FROM THE BENCH BY:	GAUTHIER J.A.

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