Federal Court of Appeal  Cour d'appel fédérale

Date: 20150204

Docket: A-561-14

Citation: 2015 FCA 36

CORAM: **STRATAS J.A.**
RYER J.A.
BOIVIN J.A.

BETWEEN:

JANSSEN INC. and MILLENNIUM PHARMACEUTICALS INC.

Appellants

and

TEVA CANADA LIMITED and MINISTER OF HEALTH

Respondents

Dealt with in writing without appearance of parties.

Order delivered at Ottawa, Ontario, on February 4, 2015.

REASONS FOR ORDER BY: STRATAS J.A.

Federal Court of Appeal  Cour d'appel fédérale

Date: 20150204

Docket: A-561-14

Citation: 2015 FCA 36

CORAM: **STRATAS J.A.**
RYER J.A.
BOIVIN J.A.

BETWEEN:

JANSSEN INC. and MILLENNIUM PHARMACEUTICALS INC.

Appellants

and

TEVA CANADA LIMITED and MINISTER OF HEALTH

Respondents

REASONS FOR ORDER

STRATAS J.A.

[1] This appeal is from the judgment dated December 10, 2014 of the Federal Court (*per* Justice Barnes): 2015 FC 247.

[2] The respondent, Teva Canada Limited, moves for an order dismissing this appeal because it is moot. The appellants oppose the motion. They also ask for an oral hearing on the motion.

[3] In my view, there is no need for an oral hearing. Typically motions such as this can be determined in writing and this is no exception. The written representations are detailed and complete. I do not need to ask the parties any questions. An oral hearing would serve no useful purpose.

[4] For the reasons that follow, I would grant the motion and dismiss the appeal. The appeal is moot and I would not exercise my discretion in favour of hearing it.

[5] In the Federal Court, the appellants sought an order under the *Patented Medicines (Notice of Compliance) Regulations*, SOR/93-133 prohibiting the Minister of Health from issuing a notice of compliance to the respondent, Teva Canada Limited, concerning a particular compound. The proceeding arose as a result of Teva's notice of allegation asserting the invalidity of a patent on several grounds. The Federal Court declined to grant prohibition.

[6] Eight days after the Federal Court's judgment, on December 18, 2014, the Minister of Health issued Teva its notice of compliance. Four days after that, on December 22, 2014, the appellants filed their notice of appeal in this Court. They asked that the Federal Court's judgment be quashed and that the Minister be prohibited from issuing a notice of compliance until patent expiry.

[7] Asking a court to prohibit a notice of compliance after it has issued is like asking someone to close the barn door after the horses have escaped. A long and unquestioned line of authority from this Court "establishes that an appeal from an order dismissing an application for

a prohibition order under the NOC Regulations becomes moot when the notice of compliance is issued": *Biovail Corporation v. Canada*, 2006 FCA 92, 348 N.R. 117 at paragraph 5. This is because "once the notice of compliance is issued…it is no longer possible for the Court to prohibit the Minister from issuing the notice of compliance": *Janssen Inc. v. Mylan Pharmaceuticals ULC*, 2011 FCA 16, 88 C.P.R. (4th) 379 at paragraph 1.

[8] Although this appeal is moot, the Court may still exercise its discretion in favour of hearing it: *Borowski v. Canada (Attorney General)*, [1989] 1 S.C.R. 342 at pages 358-62, 57 D.L.R. (4th) 231; *Abbott Laboratories v. Apotex*, 2007 FCA 368, 371 N.R. 68 at paragraph 3.

[9] In almost all cases under the *Patented Medicines (Notice of Compliance) Regulations*, the Court does not hear the moot appeal. To hear it would not serve judicial economy:

> A prohibition application, regardless of its outcome, does not put an end to any substantive dispute between the parties as to the validity or infringement of the patent or patents in issue. In practical terms, the effect of a dismissal of a prohibition application is analogous to the dismissal of an application for an interlocutory injunction, in the sense that the applicant retains the right to pursue a claim for infringement.

(*Abbott Laboratories*, supra at paragraph 4; see also *Pfizer Canada Inc. v. Apotex Inc*. (2001), 11 C.P.R. (4th) 245; 198 F.T.R. 71 at paragraph 25 (C.A.).)

[10] If this Court does not hear this moot appeal, the appellants have a remedy. They may start an action for infringement: *Pfizer Canada, supra* at paragraph 25. As this Court has said, "it makes little sense to hear moot appeals in [NOC] proceedings," especially when infringement

proceedings are available: *Eli Lilly Canada v. Novopharm*, 2007 FCA 359, [2008] 3 F.C.R. 449 at paragraph 35.

[11] As best as I can see, this Court has heard a moot appeal from the dismissal of an application for prohibition under the *Regulations* only once, in an unusual situation: *Abbott Laboratories v. Apotex*, 2007 FCA 153, 59 C.P.R. (4th) 30. There, like here, the notice of compliance had issued and so the request for prohibition was moot. But in that case there was a question whether *Hoffmann-La Roche & Co. Ltd. v. Commissioner of Patents*, [1955] S.C.R. 414, 23 C.P.R. 1 remained good law, that question was present in a number of cases pending in this Court and those cases were "striking" in their factual similarity to the moot appeal: *Abbott, supra* at paragraph 4. In that unusual situation, this Court exercised its discretion in favour of hearing the appeal. In the case before us, there is nothing unusual like that.

[12] The appellants submit that there is something unusual. Article 9 *bis* of the Comprehensive Economic and Trade Agreement between Canada and the European Union will operate to give it "equivalent and effective rights of appeal." It says this should prompt this Court to exercise its discretion in favour of hearing the appeal.

[13] I reject that submission. For one thing, it does not answer the objection based on judicial economy, discussed above.

[14] Further, the Comprehensive Economic and Trade Agreement is not yet part of Canadian law because it has not been implemented by statute: *Francis v. The Queen*, [1956] S.C.R. 618 at

page 621, 3 D.L.R. (2d) 641; *Capital Cities Communications Inc. v. Canadian Radio-Television Commission*, [1978] 2 S.C.R. 141 at pages 172-73, 81 D.L.R. (3d) 609.

[15] A decision-maker, such as this Court, cannot exercise its discretion in accordance with a law that has not come into force. This is the case even where Parliament has passed a law but it has not yet received Royal Assent: *Apotex Inc. v. Canada (Attorney General)*, [1994] 1 F.C. 742, 162 N.R. 177 (C.A.), aff'd [1994] 3 S.C.R. 1100.

[16] Finally, the appellants point to the fact that Teva has recently filed an abbreviated new drug submission concerning a new route of administration of the same compound and has filed a corresponding notice of allegation under the Regulations. The appellants suggest that this creates an adversarial context that should prompt this Court to hear this moot appeal.

[17] I disagree. Teva's notice of allegation is for a different notice of compliance that would approve a new route of administration for the compound. The appellants have not yet started a prohibition application concerning the notice of compliance Teva seeks and so no adversarial context has arisen there. If, however, the appellants do seek prohibition there, a new adversarial context will arise, but it will be for that proceeding, not this proceeding.

[18] For the foregoing reasons, the appeal is moot and I would not exercise my discretion in favour of hearing it. I would dismiss the appeal with costs.

"David Stratas"

J.A.

“I agree
C. Michael Ryer J.A.”

“I agree
Richard Boivin J.A.”

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

DOCKET:	A-561-14
STYLE OF CAUSE:	JANSSEN INC. and MILLENNIUM PHARMACEUTICALS INC. v. TEVA CANADA LIMITED and MINISTER OF HEALTH

MOTION DEALT WITH IN WRITING WITHOUT APPEARANCE OF PARTIES

REASONS FOR ORDER BY:	STRATAS J.A.
DATED:	FEBRUARY 4, 2015

WRITTEN REPRESENTATIONS BY:

Jamie Mills Beverley Moore	FOR THE APPELLANTS
David W. Aitken Bryan Norrie Jeffrey Warnock	FOR THE RESPONDENT, TEVA CANADA LIMITED

SOLICITORS OF RECORD:

Borden Ladner Gervais LLP Ottawa, Ontario	FOR THE APPELLANTS
Aitken Klee LLP Ottawa, Ontario	FOR THE RESPONDENT, TEVA CANADA LIMITED