

Federal Court



Cour fédérale

Date: 20130121

Docket: T-2072-10

Citation: 2013 FC 48

Ottawa, Ontario, January 21, 2013

PRESENT: The Honourable Mr. Justice Barnes

BETWEEN:

**BRISTOL-MYERS SQUIBB CANADA CO.
AND MERCK SHARP & DOHME CORP.**

Applicants

and

**MYLAN PHARMACEUTICALS ULC AND
THE MINISTER OF HEALTH**

Respondents

SUPPLEMENTARY REASONS FOR JUDGMENT AND JUDGMENT

[1] In my Reasons dated September 27, 2012, I invited counsel to make submissions relating to costs (see *Bristol-Myers Squibb Canada Co. v Mylan Pharmaceuticals ULC*, 2012 FC 1142, [2012] FCJ no 1251).

[2] Submissions have been received. Bristol-Myers Squibb Canada Co. (BMS) claims costs of \$90,490.00 plus disbursements of \$382,222.39. Mylan Pharmaceuticals ULC (Mylan) argues that

either no costs should be awarded or that its own claim to costs ought to be set-off against any amount payable to BMS.

[3] If BMS had been successful with respect to both of its patents an award of costs at the upper end of Colum IV would have been justified. In this situation, it was successful with respect to only one of the two patents it had asserted and it is fair to say that it achieved partial success.

[4] It is the outcome of the case that generally dictates whether costs are payable. Provided that a successful party has not advanced frivolous or specious position on the issues it raises, it will not generally be penalized because not all of its arguments found favour: see *Sanofi-Aventis Inc. v Apotex Inc*, 2009 FC 1138, [2009] FCJ no 1626; *Sunrise Co. Ltd. v The Lake Winnipeg*, [1988] FCJ no 918, (1988), 96 NR 310 (FCA).

[5] Here the validity of two patents was in issue, albeit in the context of a single application. BMS was successful in maintaining the Canadian Letters Patent 2,101,572 (the 572 Patent) but unsuccessful in maintaining the Canadian Letters Patent 2,279,198 (the 198 Patent). The end result was an Order of Prohibition in favour of BMS, but of a substantially shorter duration than it had claimed. The fact that some relief was obtained by BMS dictates that costs not be fully offset as between the two patents in issue. This point is further supported by the Court's evidentiary findings that upheld most of BMS's arguments concerning the 198 Patent. It was only with respect to infringement that BMS failed to meet the required burden of proof. However, BMS was ultimately unsuccessful with respect to the 198 Patent and I am not prepared to award disbursements with respect to the expert evidence that was tendered by BMS to support that patent. For purposes of

clarity, this disallowance includes the expert fees of Dr. Allan S. Myerson in the amount of \$94,739.36. The travel costs associated with Dr. Myerson's cross-examination are allowed in the amount of \$3,000.00 in recognition that Dr. Michael J. Cima was also examined at the same time. I will adjust the award of costs payable to BMS to reflect the offset for partial success and to account for the interlocutory awards that were previously made to Mylan. Mylan has also identified additional arguable offsets in its Brief to the Court justifying a further downward adjustment in the costs payable to BMS.

[6] Inasmuch as the assessment of costs in a case like this one must be somewhat "rough and ready" the amount awarded to BMS for its legal costs is fixed at \$45,000.00 plus harmonized sales tax. With the exceptions noted above, BMS is also entitled to its reasonable disbursements.

JUDGMENT

THIS COURT'S JUDGMENT is that BMS shall have its costs in the amount \$45,000.00 plus harmonized sales tax and its reasonable disbursements payable in accordance with these Reasons.

"R.L. Barnes"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-2072-10

STYLE OF CAUSE: BRISTOL-MYERS SQUIBB CANADA CO. ET AL v
MYLAN PHARMACEUTICALS ULC ET AL

PLACE OF HEARING: Toronto, ON

DATE OF HEARING: June 4 to 7, 2012

REASONS FOR JUDGMENT: BARNES J.

DATED: January 21, 2013

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