Intellectual Property Weekly Abstracts Bulletin — Week of July 25

July 27, 2016

NOC Decisions

Appeal of NOC Proceeding Dismissed as Moot, Despite Ongoing Section 8 Proceeding
Amgen Canada Inc. v. Apotex Inc., 2016 FCA 196

Amgen was unsuccessful in a proceeding brought pursuant to the *NOC Regulations*. It appealed that decision. Apotex brought the within motion to dismiss the appeal as moot. The motion was granted.

Amgen argued that the notice of compliance issued by the Minister concerned only one of the dosage strengths of the pharmaceutical product on the market. Disputes arose during cross-examinations, but Amgen did not bring a motion to sort out the refusals, instead offering to do so only if the FCA was of the view that it should. However, the FCA held that it does not advise parties regarding whether they should bring motions, and the record is as it stands. Based on that evidentiary record, the FCA held that the other dosage strength issue was not before the Minister. The Minister could not have been the subject of a prohibition application concerning that product, thus it is not within the ambit of the appeal.

As the appeal only concerned the dosage strength for which a NOC had issued, the appeal was moot. The Court further refused to exercise its discretion to hear the appeal, holding that even though a section 8 proceeding had been started by Apotex, Amgen can still bring an action for patent infringement, and can assert its patent against the section 8 claim.

Trademarks Cases

Charity Status Insufficient to be Public Authority and Hold Official Mark
Starbucks (HK) Limited v. Trinity Television Inc., 2016 FC 790

In 2001, the Registrar of Trademarks gave public notice of the adoption and use of NOWTV as an official mark by Trinity. At the time, Trinity was a registered charity. In

October 2013, the Applicant sought to register NOW TV & Design, which was denied on the basis of Trinity's official mark. The Applicant brought this judicial review pursuant to s. 18.1 of the *Federal Courts Act*, to review the decision made in 2001. Trinity did not participate in the proceeding because the business had been sold in 2005.

The Court noted the standard of review and found that the issues were all to be assessed on a reasonableness standard. The Court then found that the Applicant has standing because it is directly affected by the matter in that the official mark was cited against its application, preventing its registration. Further, the 2001 decision is unreasonable because the charity status is insufficient to render an entity as a "public authority", which is necessary to obtain an official mark. Finally, the Court granted the extension of time requested by the Applicant to bring the application. The Court denied costs to the Respondent on the basis, *inter alia,* that the proceeding was simply a correction of the Register.

Party Status Removed, but Intervener Status Upheld on Appeal
Constellation Brands Québec Inc. v. Smart & Biggar and Dallevigne S.P.A., 2016 FC 605

In a recently published decision, Constellation Brands (CBQ) appealed a Prothonotary's order granting status to Dallevigne as a party respondent, or in the alternative, allowing it to intervene in the proceeding. The motion was granted with respect to Dallevigne's party status, but dismissed with respect to their status as an intervener.

Smart & Biggar represents Casa Vinicola Botter Carlo & Co (Botter), who applied for the DIVINCI trademark. CBQ opposed the mark, relying on its previously registered DA VINCI mark. CBQ also commenced opposition proceedings against Dallevigne's application for the CANTINE LEONARDO DA VINCI mark (the CANTINE mark). Smart & Biggar started a s. 45 proceeding to expunge CBQ's DA VINCI mark for nonuse. Dallevigne filed a counter-statement to the opposition, and stated it could not move to expunge the DA VINCI mark because it was already the subject of such a proceeding.

The Registrar granted Smart & Biggar's request and expunged the DA VINCI mark. CBQ appealed, which is the subject of the underlying proceeding, and the DA VINCI mark remained on the Register. The Registrar denied CBQ's opposition and granted Botter's DIVINCI mark. This impacted Smart & Biggar's decision not to oppose CBQ's appeal of the expungement in this matter. Dallevigne's application to register the CANTINE mark was refused by the Trade-Marks Opposition Board (TMOB) on the basis it would create confusion with the DA VINCI mark. Dallevigne has appealed this decision.

On the same day as Smart & Biggar gave notice of its intention not to defend CBQ's appeal of the expungement of its DA VINCI mark, Dallevigne filed the within motion to be joined as a party. Dallevigne also filed a separate motion to stay the appeal of the TMOB refusal (discussed here).

The Court held that the Prothonotary was clearly wrong in misapplying the principles of what constitutes a party being directly affected by the order sought. The question to be asked is whether the relief sought in the application will affect a party's legal rights, impose legal obligations on it or prejudicially affect it in some direct way. The Court did not accept the argument that Dallevigne's only current obstacle to its trademark

registrations is the DA VINCI mark left on the Register due to the pending appeal. It only directly affects other litigation that determines the rights of a party. Thus, there is no basis to add Dallevigne as a party. Furthermore, they are not a necessary party.

As the Prothonotary gave no reasons for the decision with respect to intervener status, the Court undertook a *de novo* review. The Court considered the relevant factors and held that this was not a situation where Dallevigne is gaining a tactical advantage. Furthermore, Dallevigne is affected by the proceedings because of their impact on its appeal of the TMOB decision. The Court held that in the same proceeding, the same test cannot apply for adding a party as is used as a factor for intervention, as it would render intervention redundant. In addition, Dallevigne had no other means to protect its interest under s. 45 of the *TradeMarks Act*. The Court held that the interests of justice were better served by Dallevigne substituting for a successful absent respondent than having no respondent. Furthermore, the intervention is supported by the underlying intention of s. 45 proceedings.

S. 8 of the *NOC Regulations*

Dismissal of Motion to Vary Trial Decision in S. 8 case due to Later Infringement Finding Upheld on Appeal
AstraZeneca Canada Inc. v. Apotex Inc., 2016 FCA 194

AstraZeneca has appealed a decision on its motion seeking to vary a judgment in a decision on the merits of a section 8 case. Damages were awarded to Apotex pursuant to s. 8 of the *Patented Medicines (Notice of Compliance) Regulations*. In that proceeding, AstraZeneca raised the defence that no damages should be awarded because Apotex infringed an AstraZeneca patent. That defence was rejected. However, the Judge held: "...A Court hearing the pending infringement action, if it concludes that the patent is valid and has been infringed by Apotex in making the omeprazole drug that is the subject of these proceedings, can at that time craft a remedy that is appropriate, having in mind any compensation awarded in these proceedings." (para 148, decision here; affirmed on appeal here).

The Court below dismissed the motion to vary, holding that the "only thing that has now happened is that the 'might happen' scenario considered by me and the Court of Appeal has become a reality. That makes no difference. The 'reality' has already been considered and a determination made. Nothing changes." The FCA agreed with this reasoning.

The Court below also held that the proper venue for AstraZeneca's motion was the FCA because the FCA had upheld the trial decision. The FCA disagreed with this finding, holding that the person best placed to decide whether newly discovered matters would have affected the original judgment is the original decision maker.

The FCA reiterated the difficulties that ensue when inconsistent findings are made in parallel infringement and s. 8 proceedings, and repeated a previous FCA statement that it will be up to the judge hearing the infringement action to ensure that a party is compensated, on proper principles for a provable loss, no more and no less.

Patent Cases

Ownership of Patent Question for Provincial Court before Patent Office Records Varied
Salt Canada Inc. v. Baker, 2016 FC 830

In this case, SALT Canada Inc. (SALT) brought an application for a declaration pursuant to section 52 of the *Patent Act* to change the owner of the patent in issue to be SALT. There were a number of agreements signed over the years assigning the ownership of the patent. A dispute arose as to whether a recent Reassignment should be recorded by the Patent Office. The Court found that it did not have jurisdiction to consider this issue. Although section 52 of the *Patent Act* provides the ability of the Court to vary or expunge entries in the Patent Office, the right of ownership must first be determined by considering the various agreements, which cannot be done by the Federal Court. Thus, the application was dismissed and costs in the lump sum amount of $10,000 were awarded.

Other Proceedings of Note

Decision to Add Information Commissioner as Party to Judicial Review of ATI Decision Upheld
Apotex v. Canada (Health), 2016 FC 776

Apotex brought an application for judicial review in relation to three separate but identical decisions of the Minister of Health to disclose information in response to an access to information request. The Information Commissioner of Canada brought a motion to be added as a respondent to the proceedings, and that motion was granted. Apotex appealed that decision, however the decision was upheld.

The Court held that the Prothonotary's decision was discretionary, and not vital to the final outcome of the case. Thus, in order to be overturned, it must have been clearly wrong, based upon a wrong principle or based upon a misapprehension of the facts. Apotex argued that the Prothonotary did not consider its submissions in response to the Commissioner's motion, but the Court did not agree. Further, the Court held that the Prothonotary was not obliged to hold an oral hearing, or to provide reasons for not doing so.

The Court held that a strict interpretation of Rule 104 of the *Federal Courts Rules* regarding parties would undermine Parliamentary intention that the Commissioner be granted leave to be added as a party. Whether the commissioner should be added as a party is a case-by-case determination that cannot be based on the stringent criteria of Rule 104 alone. In other cases, the Court had asked whether the participation of the Commissioner would assist the Court to determine a factual or legal issue in the proceedings, similar to the test for intervention. This test was adopted as a way to reconcile Rule 104 with the Act.

Other Industry News

Health Canada has published a Notice regarding Mandatory Requirements for using the Common Electronic Submissions Gateway (CESG) and the Electronic Common Technical Document (eCTD) Format.

Health Canada has published a Q3D Notice: Health Canada recommendations for implementation of the ICH Harmonised Guideline for Elemental Impurities (Q3D) for new and marketed products.

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Expertise

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