Federal Court  Cour fédérale

Date: 20230217

Dockets: T-1831-22
T-1842-22

Citation: 2023 FC 241

Ottawa, Ontario, February 17, 2023

PRESENT: The Honourable Mr. Justice Fothergill

Docket: T-1831-22

BETWEEN:

BOEHRINGER INGELHEIM (CANADA) LTD. AND BOEHRINGER INGELHEIM INTERNATIONAL GMBH

Plaintiffs

and

SANDOZ CANADA INC.

Defendant

Docket: T-1842-22

AND BETWEEN:

BOEHRINGER INGELHEIM (CANADA) LTD. AND BOEHRINGER INGELHEIM INTERNATIONAL GMBH

Plaintiffs

and

SUN PHARMA CANADA INC.

Defendant

ORDER AND REASONS

I. Overview

[1] Boehringer Ingelheim (Canada) Ltd and Boehringer Ingelheim International GMBH [collectively Boehringer] are the Plaintiffs in two actions for patent infringement brought against the Defendants Sandoz Canada Inc [Sandoz] and Sun Pharma Canada Inc [Sun]. Both actions were commenced pursuant to s 6(1) of the *Patented Medicines (Notice of Compliance) Regulations*, SOR/93-133 [PM(NOC) Regulations].

[2] Boehringer alleges that the Defendants' generic version of its drug JARDIANCE® will infringe 102 of 121 claims contained in six associated patents listed on the Patent Register. The Defendants counterclaim that each claim of the six patents is invalid and not infringed, regardless of whether or not that claim is asserted in the s 6(1) actions.

[3] In the present motion, Boehringer seeks summary judgment dismissing the Defendants' counterclaims respecting any patent claim that is not asserted in the s 6(1) actions, and limiting the scope of the Defendants' counterclaims to the asserted claims. Boehringer maintains that a defendant may counterclaim against a non-asserted claim in an action commenced pursuant to s 6(1) of the PM(NOC) Regulations only with leave of the Court (citing s 6(3)(a) of the PM(NOC) Regulations).

[4] For the reasons that follow, the question of law raised by the Plaintiffs is apt for determination on a motion for summary judgment pursuant to Rule 215(2)(b) of the *Federal Courts Rules*, SOR/98-106 [Rules]. The question must be decided in the Defendants' favour. Sandoz and Sun may counterclaim as of right against the non-asserted patent claims in the actions commenced under s 6(1) of the PM(NOC) Regulations.

[5] However, this does not mean that the counterclaims in respect of the non-asserted claims will necessarily be permitted to proceed to trial. Boehringer remains at liberty to bring a motion pursuant to Rule 221(1) to strike the counterclaims against the non-asserted patent claims on any of the enumerated grounds, including that the counterclaims may prejudice or delay the fair trial of the action or are otherwise an abuse of process. Such a motion would be decided following consideration of all relevant factors that prevail at the time the motion is brought.

II. PM(NOC) Regulations

[6] The PM(NOC) Regulations seek to balance the patent enforcement rights of innovative drug manufacturers with the timely market entry of lower-priced generic drugs by "enabling summary legal proceedings that would address patent concerns without unduly delaying access to generic medicines" (*Regulatory Impact Analysis Statement*, (2017) Canada Gazette, Part 1, Vol 151, No 28 [RIAS] at 3317).

[7] Before marketing a drug in Canada, manufacturers must obtain a Notice of Compliance [NOC] from Health Canada. A "first person" who obtains an NOC for an innovative drug may

list any associated patent on the Patent Register. If a “second person” subsequently requests an NOC for a competing drug with reference to a drug whose patents are listed on the Patent Register, the second person must serve upon the first person a Notice of Allegation [NOA] containing any allegation of invalidity respecting the listed patents.

[8] Pursuant to s 6(1) of the PM(NOC) Regulations, the first person then has 45 days to bring an action for a declaration that the making, constructing, using or selling of the second person’s drug would infringe the claims of the listed patents. Once an action under s 6(1) is commenced, the Minister of Health may issue an NOC to the second person only if the action is dismissed or 24 months have passed since the action was initiated (PM(NOC) Regulations, s 7(1)(d)).

[9] Paragraph 6(3)(a) of the PM(NOC) Regulations permits the second person to bring a counterclaim for a declaration of invalidity or non-infringement against any patent claims asserted in an action commenced pursuant to s 6(1):

6(3) The second person may bring a counterclaim for a declaration **(a)** under subsection 60(1) or (2) of the *Patent Act* in respect of any patent claim asserted in the action brought under subsection (1); […]	**6(3)** La seconde personne peut faire une demande reconventionnelle afin d’obtenir une déclaration : **a)** soit au titre des paragraphes 60(1) ou (2) de la *Loi sur les brevets* à l’égard de toute revendication se rapportant à un brevet faite dans le cadre de l’action intentée en vertu du paragraphe (1); […]

[10] Subsections 60(1) and (2) of the *Patent Act*, RSC, 1985, c P-4, provide as follows:

Impeachment of patents or claims	**Invalidation de brevets ou de revendications**
60(1) A patent or any claim in a patent may be declared invalid or void by the Federal Court at the instance of the Attorney General of Canada or at the instance of any interested person.	**60 (1)** Un brevet ou une revendication se rapportant à un brevet peut être déclaré invalide ou nul par la Cour fédérale, à la diligence du procureur général du Canada ou à la diligence d'un intéressé.
Declaration as to infringement	**Déclaration relative à la violation**
(2) Where any person has reasonable cause to believe that any process used or proposed to be used or any article made, used or sold or proposed to be made, used or sold by him might be alleged by any patentee to constitute an infringement of an exclusive property or privilege granted thereby, he may bring an action in the Federal Court against the patentee for a declaration that the process or article does not or would not constitute an infringement of the exclusive property or privilege.	**(2)** Si une personne a un motif raisonnable de croire qu'un procédé employé ou dont l'emploi est projeté, ou qu'un article fabriqué, employé ou vendu ou dont sont projetés la fabrication, l'emploi ou la vente par elle, pourrait, d'après l'allégation d'un breveté, constituer une violation d'un droit de propriété ou privilège exclusif accordé de ce chef, elle peut intenter une action devant la Cour fédérale contre le breveté afin d'obtenir une déclaration que ce procédé ou cet article ne constitue pas ou ne constituerait pas une violation de ce droit de propriété ou de ce privilège exclusif.

III. Factual Background

[11] Boehringer markets and distributes JARDIANCE®, a drug used to treat Type 2 diabetes mellitus. It contains the medicinal ingredient empagliflozin. On July 23, 2015, the Minister of Health issued an NOC for JARDIANCE® tablets containing 10 mg and 25 mg of empagliflozin (Drug Identification Numbers 02443937 and 02443945 respectively).

[12] Pursuant to the *Food and Drug Regulations*, CRC, c 870, JARDIANCE® is a designated "innovative drug" on the Register for Innovative Drugs, and has data protection until July 23, 2023.

[13] There are currently six patents listed on the Patent Register for JARDIANCE®: Canadian Patent Nos. 2,557,801 [801 Patent], 2,606,650 [650 Patent], 2,696,558 [558 Patent], 2,751,833 [833 Patent], 2,752,435 [435 Patent], and 2,813,661 [661 Patent].

[14] On July 22, 2022, Sandoz and Sun each sent Boehringer an NOA stating they had filed an Abbreviated New Drug Submission with the Minister of Health seeking an NOC to manufacture and sell a generic version of the empagliflozin tablets sold as JARDIANCE®.

[15] On September 8, 2022, Boehringer commenced the underlying actions against the Defendants pursuant to s 6(1) of the PM(NOC) Regulations. Each Statement of Claim alleges that the Defendants' generic empagliflozin products would infringe specific claims in each of the six listed patents for JARDIANCE®, specifically:

- 801 Patent: claims 1-15 (all 15 claims asserted);
- 650 Patent: claims 1-6 (all 6 claims asserted);
- 558 Patent: claims 1-4, 7-9, 11, 14, 16-24, 26-30, 32-33, 35, 38, and 40-44 (12 of 44 claims not asserted);
- 833 Patent: claims 1-4, 6-12 and 14 (2 of 14 claims not asserted);

- 435 Patent: claims 1 to 28 (all 28 claims asserted); and
- 661 Patent: claims 5-10 and 12-14 (5 of 14 claims not asserted).

[16] Of the 121 patent claims contained in the six patents, Boehringer asserts infringement of 102 claims [Asserted Claims], and does not assert infringement of 19 claims [Non-Asserted Claims]. The Non-Asserted Claims are found only in the 558, 833, and 661 Patents.

[17] On October 19, 2022, the Defendants filed Statements of Defence and Counterclaims. The Defendants' Counterclaims seek declarations that each claim in the six Boehringer patents is invalid and not infringed. Importantly, for the purposes of this motion, the Defendants allege that each Non-Asserted Claim in the six patents is invalid and not infringed.

[18] On November 7, 2022, Boehringer asked the Defendants to restrict their Counterclaims to the Asserted Claims, seek leave of the Court to proceed with their Counterclaims against the Non-Asserted Claims, or confirm they were taking the position that they could "counterclaim beyond the scope of the 6(1) action as of right".

[19] On November 14, 2022, the Defendants informed Boehringer that they did not intend to modify their Counterclaims or seek leave of the Court to counterclaim beyond the Asserted Claims.

[20] During a case management conference on November 18, 2022, the Defendants confirmed they would not take issue with Boehringer bringing a motion for summary judgment after the

trial dates were fixed. On December 12, 2022, the trials of the two actions were scheduled to commence on May 27, 2024.

[21] Boehringer's motion for summary judgment to dismiss the Defendants' Counterclaims in part was filed on December 16, 2022, and heard in Ottawa on February 1, 2023.

IV. Issues

[22] This motion for summary judgment raises the following issues:

A. Is a motion for summary judgment appropriate?

B. Should summary judgment be granted in favour of Boehringer?

C. Should summary judgment be granted in favour of Sandoz and Sun?

V. Analysis

A. *Is a motion for summary judgment appropriate?*

[23] Rule 213 permits a party to bring a motion for summary judgment on all or some of the issues raised in the pleadings.

[24] Summary judgment is available if the process allows the judge to make the necessary findings of fact and apply the law to those facts, and is a proportionate, more expeditious and

less expensive means to achieve a just result than going to trial. The Rules governing summary judgment must be interpreted broadly, favouring proportionality and fair access to the affordable, timely and just adjudication of claims (*Hryniak v Mauldin*, 2014 SCC 7 [*Hryniak*] at paras 4-5).

[25] Rule 215(1) states that the Court shall grant summary judgment if it is satisfied there is no genuine issue for trial with respect to a claim or a defence. Alternatively, if the only genuine issue for trial is a question of law, Rule 215(2)(b) states that the Court may determine the question and grant summary judgment.

[26] The test on a motion for summary judgment is whether the case is so doubtful that it does not deserve further consideration at a future trial, not whether it could not possibly succeed at trial (*Milano Pizza Ltd v 6034799 Canada Inc*, 2018 FC 1112 at para 33). This translates into "a heavy burden on the moving party" (*CanMar Foods Ltd v TA Foods Ltd*, 2021 FCA 7 [*CanMar*] at para 24).

[27] Nevertheless, both parties must put their "best foot forward" (*CanMar* at para 27):

> The legal burden to establish that there is no genuine issue for trial clearly falls on the moving party. That being said, once the moving party has discharged its burden, the evidentiary burden falls on the responding party, who cannot rest on its pleadings and must come up with specific facts showing that there is a genuine issue for trial: *Cabral v. Canada (Citizenship and Immigration)*, 2018 FCA 4, [2018] F.C.J. No. 21 at para. 23. As the Federal Court stated in *Watson v. Canada (Indian and Northern Affairs)*, 2017 FC 321 at paragraph 22, "[w]hile the burden falls on the moving party, both parties must put their best foot forward". See also: *Lameman* at para. 11; *Feoso Oil* at paras. 13-14; *Garford Pty* at para. 6.

[28] In the present motion, Boehringer says that the sole question at issue is whether the PM(NOC) Regulations permit the Defendants to counterclaim against the Non-Asserted Claims as of right. They characterize the question as a "matter of statutory interpretation" and "issue of law" with "no material factual dispute". They therefore maintain that summary judgement is appropriate, because the question does not raise a genuine issue for trial or is purely a question of law.

[29] The legal proposition advanced by Boehringer is that the Defendants cannot counterclaim against the Non-Asserted Claims without leave of the Court. In *Janssen Inc v Apotex Inc*, 2022 FCA 184 [*Janssen*], the Federal Court of Appeal (*per* Locke J.A.) held that the PM(NOC) Regulations do not prohibit counterclaims against non-asserted claims in actions commenced under s 6(1), provided the defendant has obtained leave of the Court. The Federal Court of Appeal explicitly left open the question of whether a defendant may challenge non-asserted claims "by right" (at para 46):

> To address the appellants' position, it is necessary to consider whether the Regulations permit, in the context of an action under subsection 6(1) thereof, a counterclaim on claims not asserted in the action, whether by right or with leave of the Court. I will address the question of whether such a counterclaim is permitted with leave. As did the Federal Court, I will leave for another day, the question of whether a defendant in an action under subsection 6(1) may make such a counterclaim by right. [Emphasis original.]

[30] There is no dispute that the Defendants have not sought or received leave of the Court to challenge the Non-Asserted Claims by counterclaim. This is therefore a pure question of law that is amenable to determination on a motion for summary judgment pursuant to Rule 215(2)(b).

[31] However, I am not satisfied that the precise relief sought by Boehringer is available on a motion for summary judgement. Boehringer requests summary judgment as follows:

> (a) With respect to paragraphs 224 to 229 of the Plaintiffs' Reply and Defence to Counterclaim in each proceeding, dismissing each of the Defendants' Counterclaims in respect of any patent claims not asserted by the Plaintiffs in the associated action brought under subsection 6(1) of the *Patented Medicines (Notice of Compliance) Regulations*;
>
> (b) Setting the permissible scope of each Defendant's Counterclaim as limited to the claims asserted by the Plaintiffs, such that any narrowing of claims at a later date would result in the Defendants' Counterclaims being equivalently limited automatically; […]

[32] Even if I were to find that a counterclaim against a non-asserted claim could proceed only with leave of the Court, the paragraphs of the Defendants' Counterclaims that challenge the Non-Asserted Claims would not necessarily be dismissed. At most, the impugned paragraphs would be liable to be struck. However, it would remain open to the Defendants to seek leave of the Court to proceed with the Counterclaims respecting the Non-Asserted Claims in the manner approved by the Federal Court of Appeal in *Janssen*.

[33] By the same token, if a counterclaim challenging non-asserted claims in actions commenced under s 6(1) of the PM(NOC) Regulations is permitted with leave of the Court, then a narrowing of Boehringer's asserted claims at a later date will not necessarily result in the Defendants' Counterclaims "being equivalently limited automatically". The Defendants will remain at liberty to seek leave of the Court to proceed with the Counterclaims as previously filed.

[34] The record currently before the Court does not permit adjudication of a counterclaim challenging a claim that is currently asserted but may not be in the future. That will be a discretionary decision to be determined by the trial judge or case management judge following consideration of all relevant factors that prevail if and when the issue arises.

[35] Provided that Boehringer's motion for summary judgment is confined to the question of law left open by the Federal Court of Appeal in *Janssen*, then it is apt for adjudication under Rule 215(2)(b). The parties agree that this question should be decided one way or the other in advance of trial.

B. *Should this Court grant summary judgment in favour of Boehringer?*

[36] The Federal Court of Appeal's ruling in *Janssen* left unresolved the question of whether a defendant in an action under s 6(1) of the PM(NOC) Regulations may counterclaim against a non-asserted patent claim by right. Justice George Locke's analysis in *Janssen* nevertheless provides considerable guidance in answering this question.

[37] The issue before the Federal Court of Appeal in *Janssen* was whether the PM(NOC) Regulations limit this Court's jurisdiction by prohibiting either (i) parties from agreeing to address the validity of non-asserted claims in proceedings under s 6(1), or (ii) the Court from so ordering (at para 47). Justice Locke's analysis began with the following observations (at para 48):

> Focusing first on the text of paragraph 6(3)(a) (reproduced at paragraph 40 above), it is indeed permissive. It provides that

> asserted claims can be included in a counterclaim, but it does not explicitly prohibit anything. The appellants argue that the prohibition is implicit in the mention of asserted claims, and the corresponding silence on non-asserted claims. That is a reasonable argument. However, in my view, any such implicit limitation would have to be supported by the context and/or the purpose of the Regulations.

[38] Justice Locke acknowledged that other provisions of the PM(NOC) Regulations provide support both for and against such a limitation (*Janssen* at para 49). He then noted that limiting counterclaims under s 6(3) to asserted claims would not necessarily be more expeditious. The goals of preventing dual litigation and potentially inconsistent decisions can apply equally to asserted and non-asserted claims, and the objective of the PM(NOC) Regulations is arguably "overall efficiency" rather than expediting each individual proceeding (*Janssen* at para 50).

[39] Justice Locke found additional support for this conclusion in the RIAS that accompanies the PM(NOC) Regulations (*Janssen* at paras 51-53):

> […] The RIAS explicitly mentions the aim of "overall efficiency" three times: (i) at the end of the "Issues" section on page 32, (ii) at the end of the "Description" section on page 35, and (iii) at the end of the "Rationale" section on page 52. A plaintiff's agreement to address a counterclaim alleging invalidity of non-asserted claims in the context of its action under subsection 6(1) suggests its acknowledgement of the efficiency of addressing these issues in the same proceeding. This is particularly so in this case in which the non-asserted claims are so similar to the asserted claims. Under the heading "Objectives" on page 34, the RIAS highlights the aim of "provid[ing] impacted parties with some flexibility and choice." Later on the same page, the RIAS recognizes that the aim of expediting proceedings applies in parallel with the desire of "leaving the Court broad discretion to manage proceedings." Along the same lines, the RIAS notes, under the heading "Description" on page 35, the decision to limit the introduction of

> procedural rules, and "to leave such matters to be dealt with by the Court on a case-by-case basis."
>
> One of the objectives mentioned in the RIAS is the elimination of the "costly and inefficient practice of dual litigation" (see page 34), which existed under the prior Regulations. This objective is restated under the "Claims at issue" heading on page 37 where, in discussion of a former limitation on the types of claims that could be addressed, the RIAS refers to the benefit of eliminating "the need for separate proceedings to address all claims in a single patent." This same benefit may be gained by addressing the validity of non-asserted claims at the same time as the validity of asserted claims.
>
> A final observation on the purpose of the Regulations is that the passage in the RIAS that appears to address subsection 6(3) directly, under the heading "Focus on infringement and validity" on page 36, states that "a second person may commence a counterclaim seeking to invalidate the patent." Notably, this passage refers to the invalidity of the patent, and does not focus on the asserted claims thereof. [Emphasis original.]

[40] Boehringer's argument on this motion for summary judgment is very similar to the one advanced by the appellants in *Janssen*. Boehringer maintains that a prohibition on counterclaims against non-asserted patent claims necessarily flows from the inclusion of the words "asserted claims" in s 6(3)(a) of the PM(NOC) Regulations. According to Boehringer, the words "asserted claims" in this provision must be given meaning (citing *British Columbia Human Rights Tribunal v Schrenk*, 2017 SCC 62 at paras 45-46, 113).

[41] As Justice Locke observed in *Janssen*, that is a reasonable argument (at para 48). However, in my view, the argument is now foreclosed by the Federal Court of Appeal's ruling in that case.

[42] Boehringer attempts to distinguish *Janssen* on the ground that the Federal Court of Appeal was concerned only with this Court's jurisdiction over counterclaims against non-asserted patent claims, not the parties' procedural entitlements. This is a distinction without a difference.

[43] Boehringer's arguments about efficiency, the PM(NOC) Regulations constituting a complete code, and the need for close judicial supervision of actions commenced under s 6(1) were all before the Federal Court of Appeal in *Janssen*. Justice Locke's statement in paragraph 48 of *Janssen* that s 6(3)(a) of the PM(NOC) is permissive and "does not explicitly prohibit anything" applies equally to this Court's jurisdiction and a defendant's capacity to bring a counterclaim.

[44] The Defendants note that there is no mechanism in the Rules or elsewhere for a defendant in an action commenced pursuant to s 6(3)(a) of the PM(NOC) to seek leave of the Court before counterclaiming against non-asserted patent claims.

[45] According to Boehringer, if s 6(3)(a) prohibits expanded counterclaims as of right, then a defendant must first bring a counterclaim that does not exceed the scope of the asserted claims. The defendant may then seek to amend the counterclaim to include non-asserted claims under Rule 75, thereby obtaining leave of the Court.

[46] There are a number of difficulties with this proposition. First, Rule 200 permits a party (including a plaintiff by counterclaim) to amend its pleading without leave of the Court at any time before another party has pleaded thereto or by consent:

Amendment as of right	**Modification de plein droit**
200 Notwithstanding rules 75 and 76, a party may, without leave, amend any of its pleadings at any time before another party has pleaded thereto or on the filing of the written consent of the other parties.	**200** Malgré les règles 75 et 76, une partie peut, sans autorisation, modifier l'un de ses actes de procédure à tout moment avant qu'une autre partie y ait répondu ou sur dépôt du consentement écrit des autres parties.

[47] Second, the Rules provide numerous avenues for ensuring effective case management of actions commenced under s 6(1) of the PM(NOC) Regulations. It is unnecessary to read a new procedure into the Rules, particularly one that is inconsistent with existing provisions. Nor am I persuaded that this is required as a matter of law.

[48] One important case management tool is the availability of a motion to strike under Rule 221. This Rule provides as follows:

Motion to strike	**Requête en radiation**
221 (1) On motion, the Court may, at any time, order that a pleading, or anything contained therein, be struck out, with or without leave to amend, on the ground that it	**221 (1)** À tout moment, la Cour peut, sur requête, ordonner la radiation de tout ou partie d'un acte de procédure, avec ou sans autorisation de le modifier, au motif, selon le cas :
(a) discloses no reasonable cause of action or defence, as the case may be,	**a)** qu'il ne révèle aucune cause d'action ou de défense valable;

(b) is immaterial or redundant,	**b)** qu'il n'est pas pertinent ou qu'il est redondant;
(c) is scandalous, frivolous or vexatious,	**c)** qu'il est scandaleux, frivole ou vexatoire;
(d) may prejudice or delay the fair trial of the action,	**d)** qu'il risque de nuire à l'instruction équitable de l'action ou de la retarder;
(e) constitutes a departure from a previous pleading, or	**e)** qu'il diverge d'un acte de procédure antérieur;
(f) is otherwise an abuse of the process of the Court,	**f)** qu'il constitue autrement un abus de procédure.
and may order the action be dismissed or judgment entered accordingly.	Elle peut aussi ordonner que l'action soit rejetée ou qu'un jugement soit enregistré en conséquence.

[49] A plaintiff faced with a counterclaim that seeks to invalidate patent claims beyond those asserted in an action brought pursuant to s 6(1) of the PM(NOC) Regulations may seek to strike the offending portions of the counterclaim, including on the grounds that they may prejudice or delay the fair trial of the action, or are otherwise an abuse of process. A case management judge is well-placed to decide such a motion following consideration of all relevant factors that prevail at the time the motion is brought.

[50] Boehringer has not demonstrated that the existing Rules are insufficient to ensure the "overall efficiency" of an action brought under s 6(1) of the PM(NOC) Regulations. Nor has Boehringer established that a limitation on the scope of a defendant's counterclaim under s 6(3)(a) exists in law. A counterclaim brought pursuant to s 6(3)(a) is subject to the usual Rules that govern pleadings in this Court, including Rule 221(1).

[51] It is clear from paragraph 54 of *Janssen* that a counterclaim to an action commenced under s 6(1) of the PM(NOC) Regulations that seeks to invalidate non-asserted claims remains a counterclaim brought under s 6(3)(a): "In my view, the intention of the Regulations is to leave to the Federal Court the discretion to permit a counterclaim under subsection 6(3) that includes non-asserted claims" [emphasis added]. There is therefore no merit to Boehringer's assertion that a counterclaim seeking to invalidate non-asserted patent claims is an improper joinder of proceedings that offends s 6.02 of the PM(NOC) Regulations.

[52] This Court cannot accept Boehringer's arguments respecting the limiting effects of s 6(3)(a) and s 6.02 of the PM(NOC) Regulations without departing from *Janssen*. Boehringer says that, if the Court considers itself to be bound by *Janssen*, then it should reject the appellate court's reasoning as "manifestly wrong" (citing *Miller v Canada (Attorney General)*, 2002 FCA 370 [*Miller*] at para 10).

[53] *Miller* addresses the circumstances in which a court may revisit one of its own precedents. It does not empower a lower court to disregard the binding authority of a higher court. Subject to very limited exceptions that do not arise here, a lower court faced with binding authority it considers to be wrong may only provide reasons explaining why the decision is problematic. It cannot purport to overrule it (*Carter v Canada (Attorney General)*, 2015 SCC 5 at para 44; *Canada v Craig*, 2012 SCC 43 at para 21).

[54] I am not persuaded that Justice Locke's reasoning in *Janssen* is problematic or that it must be revisited by the Federal Court of Appeal. Justice Locke acknowledged that the argument

advanced by the appellants in *Janssen*, which bears a close resemblance to Boehringer's position on this motion, was reasonable. He then provided clear and cogent reasons for reaching a different conclusion. That conclusion was endorsed by a unanimous Federal Court of Appeal, and is binding on this Court. I see no reason to depart from it.

C. *Should this Court grant summary judgment in favour of Sandoz and Sun?*

[55] In appropriate cases, summary judgment may be granted in favour of a respondent even in the absence of a cross-motion. This is consistent with the Supreme Court of Canada's statement in *Hryniak* that "summary judgment rules must be interpreted broadly, favouring proportionality and fair access to the affordable, timely and just adjudication of claims" (at para 5). Where the primary issue in a motion for summary judgment involves the interpretation of the law, and does not depend on the evidentiary record, this Court may grant summary judgment in favour of either party (*Apotex Inc v Pfizer Canada Inc*, 2016 FC 136 at paras 33-36).

[56] According to the Defendants, if the Court exercises its discretion to grant summary judgment, this should be granted in the Defendants' favour and their Counterclaims in respect of every claim of Boehringer's patents should be permitted to proceed to trial.

[57] In light of the foregoing analysis, the question of law raised in this motion for summary judgment must be decided in the Defendants' favour. Sandoz and Sun may counterclaim by right against the Non-Asserted Claims in Boehringer's actions commenced under s 6(1) of the PM(NOC) Regulations.

[58] However, this does not mean that the Counterclaims in respect of the Non-Asserted Claims will necessarily be permitted to proceed to trial. Boehringer remains at liberty to bring a motion pursuant to Rule 221(1) to strike the Counterclaims against the Non-Asserted Claims on any of the enumerated grounds, including that the Counterclaims may prejudice or delay the fair trial of the action or are otherwise an abuse of process. Such a motion would be decided following consideration of all relevant factors that prevail at the time the motion is brought.

VI. Conclusion

[59] The question of law raised by the Plaintiffs is apt for determination on a motion for summary judgment pursuant to Rule 215(2)(b). The question is decided in the Defendants' favour. Sandoz and Sun may counterclaim by right against the Non-Asserted Claims in the actions commenced by Boehringer under s 6(1) of the PM(NOC) Regulations.

[60] Boehringer remains at liberty to bring a motion pursuant to Rule 221(1) to strike the Counterclaims against the Non-Asserted Claims, including on the grounds that they may prejudice or delay the fair trial of the action, or are otherwise an abuse of process.

[61] The Defendants are entitled to costs. In their written submissions, the Defendants requested elevated costs on the ground that the motion for summary judgment was unnecessary, costly, and an ineffective use of resources. In oral submissions, counsel for the Defendants acknowledged that it would be beneficial for the Court to determine the question of law in

advance of trial, and proposed that the successful party or parties be awarded costs in the all-inclusive amount of $5,000.

[62] Considering the expenditure or time and resources by all parties on this motion, the Defendants' modified position on costs is eminently reasonable. One set of costs will therefore be awarded to both Sandoz and Sun in the all-inclusive amount of $5,000.

ORDER

THIS COURT ORDERS that:

1. The question of law raised by the Plaintiffs' motion for summary judgment is decided in the Defendants' favour. The Defendants may counterclaim by right against the Non-Asserted Claim in the actions commenced by the Plaintiffs under s 6(1) of the PM(NOC) Regulations.

2. The Plaintiffs remain at liberty to bring a motion pursuant to Rule 221(1) to strike the Counterclaims against the Non-Asserted Claims, including on the grounds that they may prejudice or delay the fair trial of the action, or are otherwise an abuse of process.

3. The Defendants are awarded one set of costs in the all-inclusive amount of $5,000.

"Simon Fothergill"
Judge

FEDERAL COURT

SOLICITORS OF RECORD

DOCKETS:	T-1831-22 T-1842-22
STYLE OF CAUSE:	BOEHRINGER INGELHEIM (CANADA) LTD. AND BOEHRINGER INGELHEIM INTERNATIONAL GMBH v SANDOZ CANADA INC.
STYLE OF CAUSE:	BOEHRINGER INGELHEIM (CANADA) LTD. AND BOEHRINGER INGELHEIM INTERNATIONAL GMBH v SUN PHARMA CANADA INC.
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