

LITIGATION

Appeal by Livent founders rejected

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Garth Drabinsky and Myron Gottlieb suffered an expensive legal blow yesterday when the Supreme Court of Canada refused to hear an appeal in a long-running shareholder lawsuit launched against the co-founders of live theatre company Livent Inc.

The decision leaves Mr. Drabinsky and Mr. Gottlieb required to pay a \$36.6-million (U.S.) judgment stemming from a suit launched by U.S. investors after Livent's collapse in 1998. The court also ordered the two to pay the legal costs of the shareholders for the appeal challenge.

Lawyer **Jasmine Akbarali** of Toronto law firm Lerner LLP, who represented the U.S. shareholder group, said the amount owed, including interest and legal costs, will likely exceed \$40-million.

She said shareholders do not know yet if Mr. Drabinsky and Mr. Gottlieb have enough money to cover the judgment. In an unrelated legal action launched by Mr. Gottlieb in 2006, he said he had been ruined by Livent's collapse, stating he had been forced to sell his family's country home and his residence in Toronto's posh Forest Hill neighbourhood.

"We're still figuring out what we can do to enforce the judgment," **Ms. Akbarali** said.

"[Mr. Gottlieb] says what he says, and now we have to satisfy ourselves. That's the next step - to figure out what's there and what's available, and how we can realize what we can realize." Mr. Gottlieb's lawyer, Brian Greenspan, could not be reached yesterday.

Lawyer Dave Roebuck, who acted for Mr. Drabinsky in the Supreme Court appeal, said he could not comment on his client's ability to pay.