

US Patent Law Update

- PRESENTED AT: PIUG NORTHEAST
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OUTLINE

- 1. ABBREVIATED CASE LAW UPDATE**
- 2. AIA 9/16/12 CHANGES (ADS, DECLARATION, POA, PRIORITY CLAIMS; PRE-ISSUANCE SUBMISSION, PTAB PROCEEDING)**
- 3. AIA 35 USC 102**
- 4. OWNERSHIP AND ASSIGNMENT**
- 5. AIA AND RELATED LAW IMPACT ON ASSIGNMENTS, JREs, NDAs, AND GENERAL CONTRACTUAL RIGHTS**

101 PATENT ELIGIBILITY

*THE ASSOCIATION FOR MOLECULAR
PATHOLOGY V. PTO*, (Fed. Cir. 8/16/2012)
- (AKA MYRIAD)

- ON REMAND FROM THE S.CT (IN VIEW OF *MAYO*), CAFC PANEL RESTATED SAME REASONING AND HOLDING AS IN ITS 2011 DECISION
- ISOLATED GENE CLAIMS PATENTABLE

DISTRIBUTED INFRINGEMENT

Akamai Tech v. Limelight Networks (Fed. Cir. 8/31/2012) (en banc, per curiam).

“Much of the briefing in these cases has been directed to the question whether direct infringement can be found when ***no single entity performs all of the claimed steps*** of the patent. It is not necessary for us to resolve that issue today because we find that these cases and cases like them can be resolved through an application of the doctrine ***of induced infringement.***”

DISTRIBUTED INFRINGEMENT

Akamai Tech v. Limelight Networks (Fed. Cir. 8/31/2012) (en banc, per curiam).

“To be clear, we hold that all the steps of a claimed method must be performed in order to find induced infringement, but that ***it is not necessary to prove that all the steps were committed by a single entity.***”

DAMAGES

Laserdynamics V. Quanta Computer,
(Fed. Cir. 8/30/2012)

“We reaffirm that in any case involving multi-component products, patentees may not calculate damages based on sales of the entire product, as opposed to the smallest salable patent-practicing unit, ***without showing that the demand for the entire product is attributable to the patented feature.***”

"reference must qualify as 'analogous art'"

- K-TEC, Inc v. VITA-MIX Corp. (Fed. Cir. 9/6/2012)
- “To qualify as prior art for an obviousness analysis, a reference must qualify as “analogous art,” i.e., it must satisfy one of the following conditions: (1) the reference must be from the same field of endeavor; or (2) the reference must be reasonably pertinent *to the particular problem with which the inventor is involved*. ... A reference is reasonably pertinent if it, as a result of its subject matter, “logically would have commended itself to an inventor’s attention in considering his problem.”

AIA 9/16/12 CHANGES – ADS AND PRIORITY CLAIMS

- IN ALL APPLICATIONS FILED AFTER 9/15/2012, ANY PRIORITY CLAIM MUST APPEAR IN THE APPLICATION DATA SHEET.
- PRIORITY CLAIMS IN THE SPECIFICATION AND DECLARATIONS ARE LEGALLY IRRELEVANT
- CONSEQUENCE – IN THE IFW, PRIORITY CLAIMS WILL BE ***IN THE ADS***, NOT DECLARATION OR FIRST PARAGRAPH OF THE SPEC

AIA 9/16/12 - DECLARATION, POA

- ALL APPLICATIONS FILED AFTER 9/15/2012, INCLUDING CONTINUATIONS, MUST HAVE A NEWLY SIGNED DECLARATION
- (BECAUSE THERE IS NEW LANGUAGE REQUIRED BY STATUTE TO BE IN THE DECLARATIONS)
- YOU WILL START SEEING COMBINED DECLARATION AND ASSIGNMENT FORMS, AND MOST APPLICATIONS WILL NAME THE COMPANY AS THE APPLICANT, NOT THE INVENTOR
- MOST POWERS OF ATTORNEY WILL BE DIRECTLY FROM THE COMPANY, NOT THE INVENTORS

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AIA 9/16/12 PTAB PROCEEDINGS FOR IPR AND CBM, NO MORE INTER PARTES REEXAMS

- STATUTE TERMINATED AUTHORITY TO DECLARE INTER PARTES REEXAMS
- NEW PTAB PROCEEDINGS ARE ALL ELECTRONIC. Patent Review Processing System (PRPS) AT:
<https://ptabtrials.uspto.gov>
- STATUS AS OF 10/12/2012
CBMs – 10 PETITIONS
IPRs - 28 PETITIONS
PGR AND DER NOT YET AUTHORIZED BY STATUTE

USPTO THIRD PARTY PRE ISSUANCE SUBMISSIONS NEW 35 USC 122(e)

- AVAILABLE FOR ALL APPLICATIONS, AS OF 9/16/2012
- THIRD PARTY CAN SUBMIT – “printed publication”
- THIRD PARTY MUST INCLUDE – “concise description ... relevance of each ... document”
- WHEN – Within the later of: 6 months after application publication and final rejection [but limited by rule to not later than **first rejection**], but no later than the date of notice of allowance
- HOW TO SUBMIT: USE EFS TO FILE ONLINE

USPTO THIRD PARTY PRE ISSUANCE SUBMISSIONS NEW RULE 1.290

- UNAVAILABLE TO THE PATENT APPLICANT
- **NO FEE FOR A FIRST SUBMISSION BY ANY THIRD PARTY IN AN APPLICATION IF SUBMISSION CONTAINS NOT MORE THAN 3 DOCUMENTS**
- PTO WILL SCREEN SUBMISSIONS, IN CAMERA, AND RELEASE THEM TO THE IFW, ONLY IF THE SUBMISSION COMPLIES WITH REGULATORY REQUIREMENTS
- FILING – VIA EFS, ONLINE

WIPO THIRD PARTY OBSERVATIONS

- AVAILABLE FOR ALL PCT APPLICATIONS
- WHEN YOU CAN SUBMIT – Up to **28 months** from the application's priority date
- WHAT YOU MUST INCLUDE – List of up to 10 citations and brief indication of relevance to novelty or inventive step of the claimed invention. You may include copies of the documents
- Submissions and any patent applicant observations will be forwarded to the ISA, IPEA, and DOs.
- HOW TO SUBMIT: VIA ePCT public services, ONLINE

EPO THIRD PARTY OBSERVATIONS

- AVAILABLE FOR ALL EPO APPLICATION AS OF 8/1/2011
 - WHEN YOU CAN SUBMIT – After publication during pendency of any EPO proceeding on the EP application or EP patent.
 - WHAT YOU MUST INCLUDE – Observations restricted to the substantive requirements of the EPC, e.g. Articles 52-57 EPC, and prior art citations.
- FILING – VIA online form at <http://tpo.epo.org/tpo/app/form/>

FIRST INVENTOR TO FILE OR DISCLOSE NOVELTY

- 102(a) AND (d) - PRIOR ART
- 102(b) AND (c) - *EXCEPTIONS*
- EFFECTIVE DATE: Applies to any patent/application that claims priority to an application or is an application that ever contained an invention claim with an effective filing date on or after March 16, 2013.

AIA PRIOR ART

- 102(a) (1) - PUBLIC DISCLOSURE (PATENTED, PRINTED PUBLICATION, IN PUBLIC USE, ON SALE, OR “*OTHERWISE AVIALABLE TO THE PUBLIC*”) BEFORE INVENTOR FILED

- 102(a) (2) AND (d) - ANOTHER’S U.S. (AND PCT) PATENT PUBLICATION, AS OF ITS 119/120 FILING DATE, BEFORE INVENTOR FILED

102(b)(1) (GRACE PERIOD) *EXCEPTIONS FROM* PRIOR ART

FOR A 102(a)(1) DISCLOSURE WITHIN 1 YEAR OF INVENTOR'S FILING DATE:

- 102(b)(1)(A) – ***INVENTOR ORIGINATED DISCLOSURE***
- 102(b)(1)(B) - INVENTOR ORIGINATED ***PUBLIC*** DISCLOSURE OCCURRED BEFORE THIRD PARTY DISCLOSURE

102(b)(2) (EARLIER FILED PATENT) *EXCEPTIONS* FROM PRIOR ART

FOR A 102(a)(2) U.S. PATENT PUBLICATION:

- 102(b)(2)(A) – ***INVENTOR ORIGINATED***
DISCLOSURE
- 102(b)(2)(B) - INVENTOR ORIGINATED
PUBLIC DISCLOSURE OCCURRED
BEFORE U.S. PATENT PUBLICATION'S
119/120 DATE

102(b)(2)(C) (EARLIER FILED PATENT) *EXCEPTIONS* FROM PRIOR ART

FOR A 102(a)(2) U.S. PATENT PUBLICATION:

➤ 102(b)(2)(C) – CLAIMED INVENTION, **AS
*OF ITS EFFECTIVE FILING DATE***, CO-
OWNED WITH THE U.S. PATENT
PUBLICATION

102(c) (JRA) *EXCEPTIONS* FROM PRIOR ART

JRA – JOINT RESEARCH AGREEMENT
If a JRA was “in effect on or before the effective filing date of the claimed invention” then patent applications of the JRA parties (in the field of the JRA) will not be prior art as of their 119/120 priority or actual filing dates.

INTERPRETATIONS OF 102(a)(1) PRIOR ART PROVISIONS

*102(a)(1) “the claimed invention was patented, described in a printed publication, or in **public use, on sale, or otherwise available to the public** before the effective filing date of the claimed invention;”*

102(a)(1) “or otherwise available to the public”

- PTO COMMENT: “*The legislative history of the AIA indicates that the inclusion of this clause in AIA 35 U.S.C. 102(a)(1) should be viewed as indicating that AIA 35 U.S.C. 102(a)(1) **does not cover non-public uses or nonpublic offers for sale.** See 157 Cong. Rec. S.1370 (Mar. 8, 2011)” 77 FR 43765 (proposed examination guidelines concerning the first-inventor-to-file)*
- **OPEN LEGAL ISSUE, AWAITING CASE LAW**

INTERPRETATIONS OF 102(b) EXCEPTIONS TO PRIOR ART PROVISIONS

➤ *102(b)(1)(A)* THE DISCLOSURE WITHIN 1 YEAR OF FILING DATE IS NOT 102 PRIOR ART IF “***the disclosure*** was made by the inventor or joint inventor or by another who obtained ***the subject matter disclosed*** directly or indirectly from the inventor or a joint inventor”

INTERPRETATIONS OF 102(b) EXCEPTIONS TO PRIOR ART PROVISIONS

PTO COMMENT: “Even if the only differences between the subject matter in the prior art disclosure that is relied upon under 35 U.S.C. 102(a) and the subject matter publicly disclosed by the inventor before such prior art disclosure are *mere insubstantial changes, or only trivial or obvious variations, the exception under 35 U.S.C. 102(b)(1)(B) does not apply.*” 77 FR 43767

INTERPRETATIONS OF 102(b) EXCEPTIONS TO PRIOR ART PROVISIONS

- AIPLA COMMENT *IN RESPONSE TO* PTO COMMENT: PTO POSITION “would completely undermine the intent of Congress,”
- AIPLA SUGGESTION: “AIPLA suggests that the Office resolve these issues by interpreting the phrase “subject matter” to mean that material from the third-party disclosure which the Office has identified to justify the rejection.”

SIMILAR ISSUES WERE DECIDE BY CASE LAW LONG AGO

➤CCPA ON 131 DECLARATIONS: “The question, then, is whether the rule of *Stryker* ought to be extended to a situation where the Rule 131 showing is not fully commensurate with the reference but renders the claimed invention obvious. We think *Stryker* is controlling in this situation as well,” *In re Spiller* (CCPA 1974).

INTERPRETATIONS OF 102(b) EXCEPTIONS TO PRIOR ART PROVISIONS

- CONCLUSION: UNDER PTO INTERPRETATION, ANY PUBLIC DISCLOSURE BEFORE APPLICATION FILING HAS A SIGNIFICANT RISK OF DEFEATING PATENT CLAIMS
- PRE FILING DISCLOSURE: ***BAD IDEA***

102(g)/135/291 – EFFECTIVE FILING DATE CARVE OUT FOR INTERFERENCES

- 102(g) DEFINES ACTUAL FIRST TO INVENT ACTS TO BE PRIOR ART
- THE AIA MAKES OLD 102(g)/135/291 ALSO APPLY TO ANY POST AIA APPLICATION HAVING A PRE AIA EFFECTIVE FILING DATE CLAIM

102(g)/135/291 – CARVE OUT FOR INTERFERENCES

THIS CARVE OUT ALLOWS THE PTO AND COURTS TO INVALIDATE POST AIA APPLICATIONS AND PATENTS THAT CONTAIN CLAIMS ENTITLED TO PRE AIA PRIORITY

35 USC 103 OBVIOUSNESS ESSENTIALLY UNCHANGED

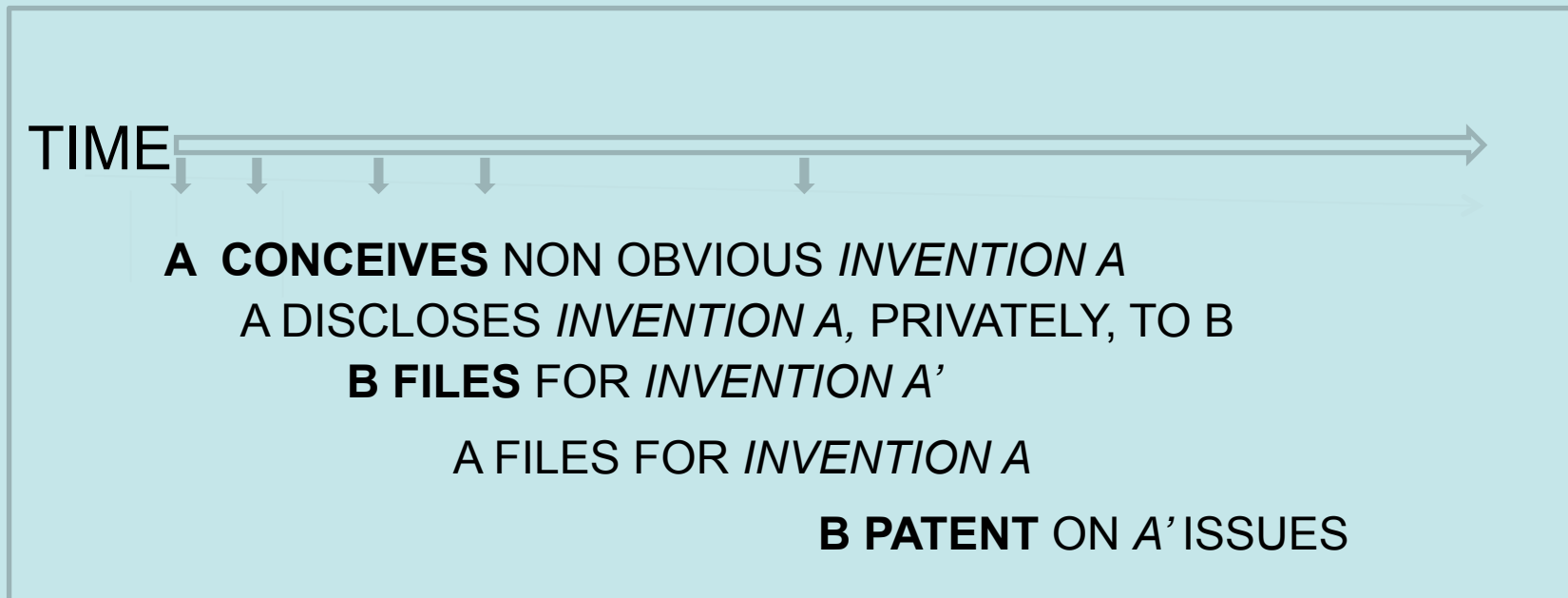
➤ 35 USC 103: whether “claimed invention as a whole would have been obvious before the *effective filing date* of the claimed invention”

➤ RESETS OBVIOUSNESS
DETERMINATION TO ***EFFECTIVE FILING
DATE*** OF CLAIMED INVENTION

102(f) (YES, IT'S GONE, UNDER THE AIA)

“DERIVATION PATENTS” - PATENTING
OBVIOUS VARIATIONS OF NON PUBLIC
INVENTIONS, WITHOUT AUTHORIZATION
FROM THE INVENTOR

DERIVATION PATENT EXAMPLE - TIME LIME



DERIVATION PATENT ISSUES

- B'S PATENT MAY BLOCK A FROM PRACTICING *INVENTION A*
- B'S PATENT MAY PRECLUDE A FROM PATENTING *INVENTION A*
- SUFFICIENCY OF PROOFS, TIMING, 130 DECLARATIONS, DERIVATION PETITIONS
- CORRESPONDING FOREIGN LAW ISSUES

WHAT ARE THE BEST PRACTICES TO DEAL WITH THE POTENTIAL FOR DERIVATION RIGHTS?

- THIS IS AN OWNERSHIP AND RIGHTS TRANSFER LEGAL ISSUE
- REQUIRES AN UNDERSTANDING OF OWNERSHIP AND ASSIGNMENT LAW
- AND CORPORATE PRACTICES

PATENT OWNERSHIP AND ASSIGNMENT SUMMARY

- In the U.S. an inventor owns “the product of [his] original thought” *United States v. Dubilier Condenser Corp.* (1933).
- Interests in patents are assignable, but an assignment must be in writing. 35 USC 261; *Sky Technologies LLC v. SAP AG* (Fed. Cir. 2009)

PATENT OWNERSHIP AND ASSIGNMENT SUMMARY

- An “inventor must expressly grant his rights in an invention to his employer if the employer is to obtain those rights” via assignment. *Stanford Univ. v. Roche* (2011).
- A mere agreement or promise to assign before “an invention [comes] into being,” is not an automatic assignment; does not convey legal title. *DDB Technologies, L.L.C. v. Mlb Advanced Media, L.P.* (Fed. Cir. 2008).

PATENT OWNERSHIP AND ASSIGNMENT SUMMARY

- Post start date employment agreements may fail, for lack of consideration. Cf. *Preston v. Marathon Oil* (Fed. Cir. 2012) (looking to state law to determine if continued at will employment is sufficient consideration).
- There is also an “implied-in-fact contract to assign patent rights” legal theory. *Teets v. Chromalloy Gas Turbine Corp* (Fed. Cir. 1996)

PATENT OWNERSHIP AND ASSIGNMENT SUMMARY

- “If the [employment] contract expressly grants rights in future inventions [sic; automatic assignment], ‘no further act [is] required once an invention [comes] into being’” *DDB, supra, quoting FilmTec (Fed. Cir. 1991)*.
- State law (U.S. and non U.S.) generally governs ownership and construction of assignments. *Akazawa v. Link New Technology (Fed. Cir. 2008)*; *Euclid Chem. Co. v. Vector Corrosion Techs (Fed. Cir. 2009)*.

PATENT OWNERSHIP AND ASSIGNMENT SUMMARY

- However, “automatic assignment is ... treated as a matter of federal law” *DDB, supra*.
- You cannot assign what you do not own [legal title to]. *Abraxis Bioscience v. Navinta LLC*, (Fed. Cir. 2011)(en banc)
- "recording ... assignment [in the USPTO] creates a presumption of validity” *SIRF Technology v. ITC and Broadcom*, (Fed. Cir. 2010)

PATENT OWNERSHIP AND ASSIGNMENT SUMMARY

FOREIGN LAW CONSIDERATIONS:

- EPC Article 72 “assignment ... require[s] the signature of the **parties**....”)
- EPO BOA – You cannot obtain **priority**, unless you own the priority right, **before filing**, the EP application. T62/05; T 788/05
- UK - You cannot obtain **priority**, unless you own the priority right, **before filing**, the PCT application. *Edwards Lifesciences AG v. Cook Biotech Inc* (Patents Court, 2009)

PATENT OWNERSHIP AND ASSIGNMENT SUMMARY

- UK *Edwards* case – Foreign law issues:
- If the priority and PCT applicants differ, there may be no right of priority, *unless* that right was timely transferred.
- The priority right may be *unitary* in applicant entity. Later application by a different entity may require a pre-existing transfer of the priority right to the PCT applicant, *from all applicants of the priority application.*

➤ Attribution: Helpful discussions with attorneys from Harrison Goddard Foote, London

CORPORATE PRACTICE

AGREEMENTS AFFECTING IP RIGHTS

- EMPLOYMENT OFFER LETTERS
- FORM EMPLOYMENT AGREEMENTS
- FORM INVENTION DISCLOSURES
- FORM PATENT ASSIGNMENTS
- FORM NON DISCLOSURE AGREEMENTS (NDAs)
- FORM JOINT RESEARCH AGREEMENTS (JRAs)

EMPLOYMENT OFFERS

- DO NOT WAIT UNTIL AFTER AN EMPLOYEE AGREES TO, OR ACTUAL BEGINS, EMPLOYMENT, TO CLARIFY YOUR OFFER
- LACK OF CONSIDERATION
- PUT YOUR TERMS OF EMPLOYMENT, IP TERMS IN PARTICULAR, IN A FORM EMPLOYMENT OFFER

EMPLOYMENT AGREEMENT ASSIGNMENT CLAUSES

- INCLUDE AUTOMATIC ASSIGNMENT CLAUSE FOR INVENTIONS
- INCLUDE ALL OTHER PATENT ASSIGNMENT FORM CLAUSES (RIGHTS AND DUTIES, TO ASSIGNEE AND ITS SUCCESSORS IN INTEREST)
- DUAL SIGNATURES (FOREIGN RIGHTS)
- AFTER EMPLOYMENT BEGINS, ADDITIONAL CONSIDERATION OR “AS A CONDITION OF CONTINUED EMPLOYMENT”

EMPLOYMENT AGREEMENT DERIVATION CLAUSE

- THE GOAL IS TO AVOID PATENT DEFEATING PRIOR ART WHILE CAPTURING RIGHTS TO ALL INVENTIONS OBVIOUS IN VIEW OF CORPORATE INVENTIONS
- INCLUDE AUTOMATIC ASSIGNMENT OF DERIVATION RIGHTS

EMPLOYMENT AGREEMENT DERIVATION CLAUSE

- CAUTION – NO CASE LAW UNDER AIA ON AUTOMATIC ASSIGNMENT OF DERIVATION RIGHTS
- SEVERABILITY PROVISION – SEPARATE CLAUSE
- EXPLANATION OF PROVISION (AKA PROMPTED BY THE AIA)
- CHOICE OF LAW PROVISION

EMPLOYMENT AGREEMENT DERIVATION CLAUSE

- DEFINE DERIVATION RIGHTS IN THE CLAUSE
- EXAMPLE: “ALL INVENTIONS THAT WOULD HAVE BEEN OBVIOUS IN VIEW OF ALL INVENTIONS CONCEIVED BY ME AND DISCLOSED TO ME DURING THE COURSE OF MY EMPLOYMENT, NOT KNOWN PUBLICLY AT THE TIME MY EMPLOYMENT TERMINATES, WHEREIN OBVIOUSNESS IS EVALUATED AT THE TIME MY EMPLOYMENT TERMINATES.”

AUTOMATIC ASSIGNMENT OF *PATENT DISCLOSURE* CLAUSE

- THE GOAL OF THIS KIND OF PROVISION IS TO AVOID PATENT DEFEATING PATENT PRIOR ART DISCLOSURES
- A PATENT THAT IS PRIOR ART TO YOUR FILED APPLICATION BASED UPON ITS FILING DATE, MAY MAKE YOUR CLAIMS UNPATENTABLE
- BUT IF YOU OWN IT, THEN IT IS NOT PRIOR ART BASED UPON ITS FILING DATE
- INEFFECTIVE WHEN YOU ACQUIRE ONLY A PARTIAL INTEREST (E.G., MULTIPLE INVENTORS)

INVENTION DISCLOSURE FORMS

- INCLUDE ASSIGNMENT OF DISCLOSED INVENTION
- INCLUDE ASSIGNMENT OF OBVIOUS VARIATIONS OF DISCLOSED INVENTION (DERIVATION CLAUSE)

EFFECT OF NDA

- DO NDAs HAVE THE SAME EFFECT UNDER THE AIA, AS UNDER PRIOR LAW?
- OLD LAW, 35 USC 102(a) “know or used by others”
- CASE LAW: By “known or used by others ...the legislature meant knowledge and use existing in a *manner accessible to the public.*” *Gayler v. Wilder*, (1850); see also *In re Schlittler*, (CCPA 1956).
- NEW LAW, 35 USC 102(a)(1) “otherwise available to the public...”

EFFECT OF NDA

- NDA IS CONTRACT THAT MAKES NDA DISCLOSURE **NOT** “AVAILABLE TO THE PUBLIC”
- NDA DISCLOSURES APPEAR TO NOT BE PRIOR ART UNDER NEW 35 USC 102(a)

NDA DERIVATION ISSUES

- SAME ISSUES AS FOR EMPLOYMENT AGREEMENTS
- ALL OF ANOTHER'S PATENT DISCLOSURE MAY NOT HAVE ORIGINATED FROM YOU (ORIGINAL INVENTOR)
- ALL RIGHTS IN A PATENT APPLICATION NAMING THE PERSON TO WHOM YOU DISCLOSED MAY NOT BE IN THAT PERSON

DERIVATION CLAUSE LIMITS

➤ NDA including agreement of manufacturer to not "duplicate, produce, manufacture or otherwise commercially exploit . . . product[s] ***derived from*** or based on" designer's designs, insufficient to prevent manufacturer from competing with designer using a design around. *Contour Design, Inc. v. Chance Mold Steel Company Ltd.*, (1st Cir. 2012).

➤ NDA'S *DERIVATION CLAUSE* WAS INEFFECTIVE TO PROTECT AGAINST *COMPETITION*

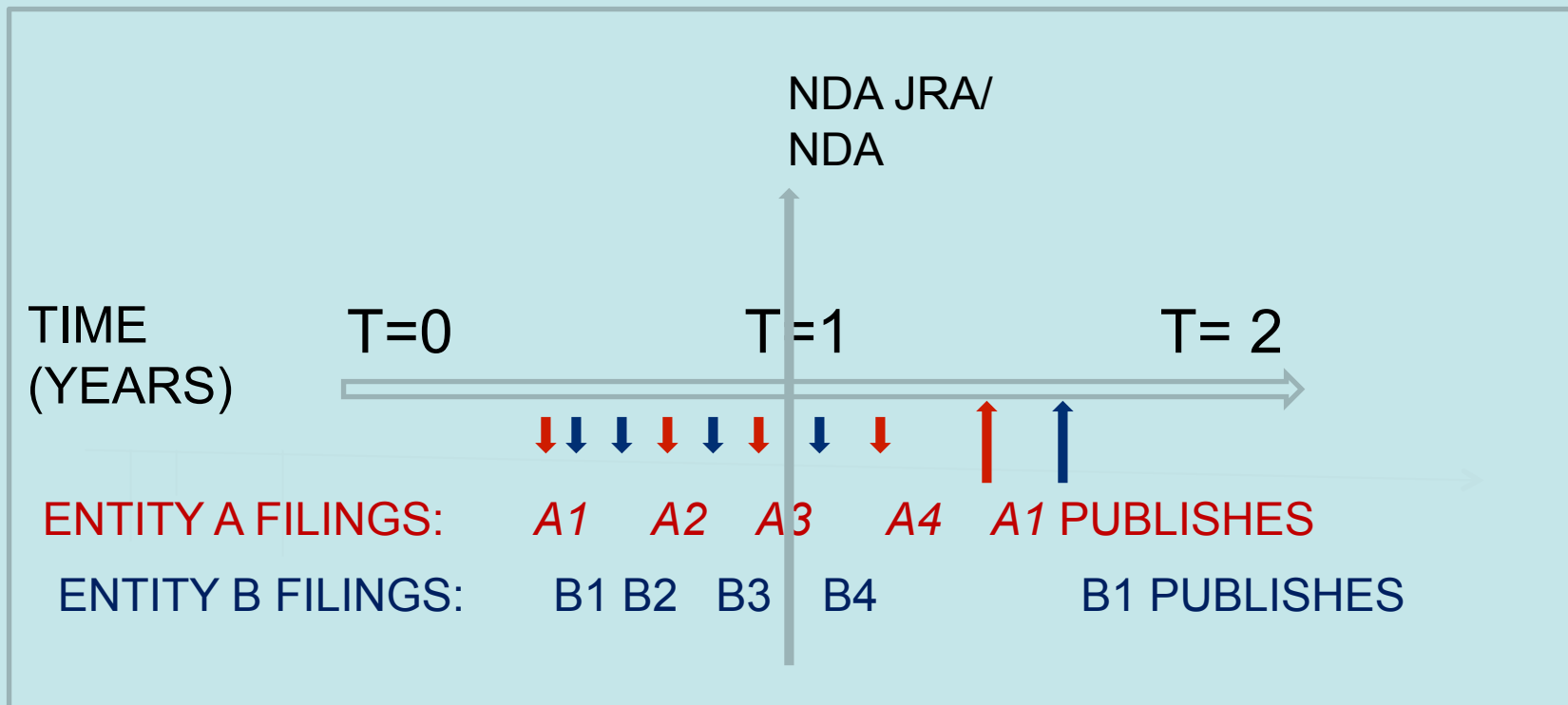
JOINT RESEARCH AGREEMENTS

- JRA DISCLOSURES, UNDER 102(c), TREATED AS IF COMMONLY OWNED (EXCEPTS UNPUBLISHED PATENT ART OF THE PARTIES)
- AIA CHANGES THE JRA EXCLUSION FROM DATE THE INVENTION MADE TO DATE THE CLAIMED INVENTION IS FILED
- CONCEIVED BUT UNFILED INVENTIONS EXISTING BEFORE THE JRA BENEFIT FROM JRA EXCLUSIONS FROM PRIOR ART, EVEN THOUGH FILED AFTER THE JRA EXISTS

JRA/NDA AGREEMENTS

- AFTER A JRA IS IN EFFECT, UNPUBLISHED PATENT APPLICATIONS OF THE PARTIES TO THE AGREEMENT WILL NOT BE PRIOR ART TO LATER FILED INVENTIONS
- ASSUMING THE JRA INCLUDES NDA PROVISIONS, DISCLOSURE UNDER THE JRA/NDA IS NOT “AVAILABLE TO THE PUBLIC” – NOT 102(a)(1) PRIOR ART.

NDA/JRA COMPARISON



NDA AT T=1: A1, A2, A3 EVENTUALLY PRIOR ART TO B4

JRA/NDA AT T=1: A1, A2, A3 WILL NOT BE PRIOR ART TO B4

NDA/JRA PRACTICES

- NDA DISCLOSURES MAY MOTIVATE A FOLLOW ON JRA/NDA
- PARTIES UNPUBLISHED APPLICATIONS DISCLOSE CLOSELY RELATED INVENTIONS
- NDA/JRA WILL “EXCEPT” THOSE EXISTING UNPUBLISHED APPLICATIONS FOR AFTER FILED INVENTIONS

NDA/JRA PRACTICES

➤ REMEMBER THE JRA SUBSTANTIVE REQUIREMENTS:

➤ 35 USC 100(h) (“written contract, grant, or cooperative agreement entered into by 2 or more persons or entities ***for the performance of experimental, developmental, or research work in the field of the claimed invention***”)

NDA/JRA PRACTICES

- JRA UNPUBLISHED PATENT EXEMPTION MAY ALLOW ONE JRA PARTNER TO “BOX IN” THE DISCLOSED IP OF THE OTHER JRA PARTNER
- DEGRADING THE VALUE OF THE PARTNER’S IP
- OUTSTANDING ISSUES OF DERIVATION LAW

JRA/NDA “BOX IN”

- **SMALL STARTUP SIGNS JRA WITH BIG MANUFACTURER**
- **SMALL DISCLOSES INVENTIONS**
- **BIG FILES A LARGE NUMBER OF APPLICATIONS FOR INVENTION SIMILAR TO SMALL'S**
- **BIG THERE AFTER LOSES INTEREST IN JOINT RESEARCH AND GENERALLY IGNORES SMALL**

NDA/JRA PRACTICES

- CONSIDER CLAUSES TO PROTECT RIGHTS OF DISCLOSER
- SPECIFYING OWNERSHIP OF DERIVED INVENTIONS
- COMMERCIALIZATION RIGHTS/LIMITATIONS
- MAINTAIN AN ACCURATE DISCLOSURE LOG

THE END THANK YOU!

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