



Patently Strategic Musings

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Common Ownership Exceptions to Prior Art

Inventorship

(MPEP 2109)

- Who conceived the invention
- Reduction to practice, per se, is irrelevant [except for simultaneous conception and reduction to practice]

Ownership

(MPEP 301)

- **AIA:** on or after 9/16/2012, the original applicant is presumed to be the owner
- **Pre-AIA:** before 9/16/2012, the ownership of the patent or app initially vests in the inventors
- Can transfer ownership interest in a patent or patent application - assignment

Overview

- AIA 102 Prior Art
- Common Ownership Exceptions
- Joint Research Exceptions
- Terminal Disclaimer Practice

AIA Prior Art Under 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; or
- 2) the claimed invention was described in a patent issued under section 151, or in an application for patent published or deemed published under section 122(b), in which the patent or application names another inventor and was effectively filed before the effective filing date of the claimed invention.

AIA Prior Art Exceptions for 102(a)(1)

(1) DISCLOSURES **MADE 1 YEAR OR LESS** BEFORE THE EFFECTIVE FILING DATE OF THE CLAIMED INVENTION. A disclosure made 1 year or less before the effective filing date of a claimed invention **shall not be prior art under subsection (a)(1) if—**

(A) 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; or

(B) the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.

AIA Prior Art Exceptions for 102(a)(2)

(2) DISCLOSURES APPEARING IN APPLICATIONS AND PATENTS. A disclosure **shall not be prior art to a claimed invention under subsection (a)(2) if—**

(A) the subject matter disclosed was obtained directly or indirectly from the inventor or a joint inventor;

(B) the subject matter disclosed had, before such subject matter was effectively filed under subsection (a)(2), been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(C) the subject matter disclosed and the claimed invention, not later than the effective filing date of the claimed invention, were owned by the same person or subject to an obligation of assignment to the same person.

Common Ownership:

Patent Owner needs before the PTAB

- invention and prior art reference were “owned or subject to an obligation of assignment” to the same person/entity as of the effective filing date
- provide objective evidence such as assignment documents, corporate records, employee agreements/contracts, and even employee paystubs

Common Ownership does not necessarily include subsidiaries

Ex parte Bayer CropScience NV

- Examiner construed "commonly owned" to include different assignees that are *wholly-owned subsidiaries* of a common owner
- Leemans patent was rejected for double patenting over two Strauch patents
 - Leemans co-assigned to both Bayer CropScience NV and Biogen Idec NA Inc.
 - Strauch assigned to Bayer CropScience AG (owns CropScience and Biogen companies)
- Are Leemans and Strauch patents commonly owned? **NO!**

Common Ownership does not necessarily include exclusive licensees

- Immunex Corp. v. Sandoz Inc., No. 2020-1037 (Fed. Cir. July 1, 2020)
- **Parties:** Patent Owner, Roche, and exclusive licensee Immunex and alleged infringer Sandoz
- Accord & Satisfaction Agmt btwn Roche and Immunex
 - Roche had secondary right to sue, when vested, triggered Roche's exclusive right to sue
 - Once Roche right's are vested, Immunex cannot rectify infringement nor frustrate Roches' efforts

Common Ownership Under Joint Research

- (1) the subject matter was developed in joint research agreement that was in effect on or before the effective filing date of the claimed invention
- (2) the claimed invention was made as a result of joint activities
- (3) the application for patent for the claimed invention discloses or is amended to disclose the names of the parties to the joint research agreement

What is a Joint Research Agreement?

- Written contract
- Grant
- Cooperative agreement

For work in the field of the claimed invention

- Experimental
- Developmental
- Research work

Terminal Disclaimer for Joint Research

- Include a provision **waiving the right to separately enforce any patent granted on that application**
- Under the CREATE Act (2004), two patent applications of different ownership are considered commonly owned if:
 - an invention at issue was made pursuant to a joint research agreement,
 - the invention is within the scope of the agreement
 - the parties to the agreement are the applicants of the application

Terminal Disclaimer Practice

- One-way test (default)
 - whether the asserted patent claim is obvious over or anticipated by the earlier-issued patent claim
- Two-way test (rare)
 - A second-filed application issues prior to a first-filed application
 - The PTO is solely responsible for the delay in the issuance of the first-filed application
- Safe Harbor
 - Prevents ODF challenge
 - Only available for divisional applications

Practice Suggestions

- For current ownership exception: ensure assignment is filed the same day as the application
- Verify that clients have development agreements in place, regardless of who will own the IP
- If client is buying/selling patents, are patents enforceable?
 - Terminal Disclaimers on file?
 - Disclaimer patents must be included in the deal
- Review which claims are listed in ODP, and if only some, consider letting the non-rejected pass to issue