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To: AB76Comments
Subject: Comments in reply to interim rules implementing the CREATE Act of 2004

In reply to the interim rule entitled: "Changes To Implement the Cooperative Research and Technology Enhancement Act of 2004," published at 70 Fed. Reg. 1818 (Jan. 11, 2005), please consider the following comments.

37 C.F.R. § 1.321(d)(4)

The disclaimer requirement of 37 C.F.R. § 1.321(d)(4) requires both the disqualified patent or application, and the patent that ultimately issues from the rejected application or patent under the joint research agreement (JRA) exemption of 35 U.S.C. § 103(c) to be commonly licensed and enforced.

The Office should delete the common licensing and enforcement requirement of § 1.321(d)(4), for at least the following reasons.

1. The tying together of the enforcement of the disqualified patent and the patent that issues from the rejected application is beyond the scope of the CREATE Act. Statutory interpretation requires one to "presume that [the] legislature says in a statute what it means and means in a statute what it says there." *Connecticut Nat'l Bank v. Germain*, 503 U.S. 249, 253-54 (1992). In short, there is nothing in 35 U.S.C. § 103(c) as amended by the CREATE Act that requires or authorizes the common licensing and enforcement provision of § 1.321(d)(4).
2. Furthermore, the common licensing and enforcement provision is not consistent with the policy that is behind the law of obviousness-type double patenting. Prevention of "harassment by multiple assignees" has been recognized as one reason for requiring common ownership for terminally disclaimed patents. *See In re Van Ornum*, 686 F.2d 937, 944 (C.C.P.A. 1982). However, this is not a concern with licensees. The common licensing and enforcement requirement of § 1.321(d)(4) not only goes beyond the common ownership requirement but does so needlessly.
3. In light of regulations and/or policies of other Federal agencies, meeting the common licensing requirement of § 1.321(d)(4) will be nearly impossible. There are strict requirements for exclusively licensing inventions owned by the Federal government. *See* 37 C.F.R. § 404.7, including, but not limited to, publishing a notice of a prospective exclusive license in the Federal Register, determining that an exclusive license is reasonable and necessary for investment in the invention, and giving preference to any small business firms that are interested and capable of bringing the invention to practical application. Thus, it will be very difficult, if not impossible, for a company that is collaborating with a Federal agency, or a University funded by a Federal Agency, to benefit from the CREATE Act when trying to patent an improvement that arose out of the collaboration.

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