



IP Literature Watch

CRA Charles River
Associates

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This newsletter contains an overview of recent publications concerning intellectual property issues. The abstracts included below are as written by the author(s) and are unedited.

IP & Antitrust

The Japan Patent Office (JPO) Guide to Licensing Negotiations Involving Standard Essential Patents, comment of the Global Antitrust Institute, Antonin Scalia Law School, George Mason University

Tad Lipsky (George Mason University – Antonin Scalia Law School)

Joshua D. Wright (George Mason University – Antonin Scalia Law School, Faculty)

Douglas H. Ginsburg (US Court of Appeals for the District of Columbia Circuit; George Mason University – Antonin Scalia Law School, Faculty)

John M. Yun (George Mason University – Antonin Scalia Law School, Faculty)

George Mason Law & Economics Research Paper No. 18-05

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3160827

The GAI submitted comments in response to a public consultation by the Japan Patent Office (JPO) regarding its Draft Guide for SEP (standard-essential patent) Licensing Negotiations. The GAI comments encouraged the JPO to acknowledge the platform characteristics of standard-setting organizations (“SSOs”), which link technology innovators directly with technology implementers, and to recognize the key role of SSOs in determining how patents necessary to the provision of standardized products and services should be licensed. The comment also asked the JPO to accept that substantial flexibility is necessary for SSOs and parties engaged in SEP licensing, in light of the wide variation in technologies, standards, and the competitive conditions prevailing in affected markets.

Trade secrets protection and antitakeover provisions

Aiyasha Dey (Harvard Business School)

Joshua T. White (Vanderbilt University – Finance)

Working paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3161661

We examine whether and why managers strengthen antitakeover provisions when facing an increased threat of being acquired. Our tests exploit the staggered recognition of the Inevitable Disclosure Doctrine (IDD) by U.S. state courts, a doctrine that exogenously decreases knowledge worker mobility, thereby

increasing firms' likelihood of being acquired. We find that managers respond by increasing takeover defenses to deter hostile bids, especially when its employees had greater ex-ante employment mobility. Our cross-sectional tests examine two potential mechanisms driving managers' decisions to increase takeover defenses: protection of firm value via innovation versus self-serving protection of manager' jobs. Our results support the former mechanism. We find that increases in antitakeover provisions are significantly greater for firms with more knowledge workers, and higher research and development and intangible asset intensity, but not for firms with higher proxies of managerial entrenchment. Consistent with protection of innovation output, firms increasing antitakeover provisions following IDD enjoy higher ex-post patent quantity and quality. Firms with increased takeover defense provisions also experience a near term reduction or delay in takeover likelihood. Our results provide evidence of a setting where managers upward adjust their level of antitakeover provisions to protect innovation rather than for self-serving reasons.

IP & Licensing

Licensing knowledge

Claudia E. Haupt (Yale Law School; Yale University – Yale Information Society Project; Yale Law School)
Vanderbilt Law Review, Vol. 72, 2019, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3151985

When professionals give advice, they disseminate professional knowledge to their clients. The reason professional advice is valuable to clients is that they gain access to a body of knowledge they would not otherwise possess. To preserve the accuracy and hence the value of this knowledge transfer, the First Amendment should protect professional speech against state interference that seeks to alter the content of professional advice in a way that contradicts professional knowledge. But before professionals can engage in professional advice-giving, they are subject to licensing by the state. This seemingly creates a tension between state involvement in professional licensing and protection against state involvement in professional speech.

This Article provides a theoretical framework to reconcile professional speech protection with professional licensing. Under this theory, the interests underlying First Amendment protection of professional speech and those underlying state licensing are the same: preserving the reliability of expert knowledge by guarding professionals' competence, and protecting the dissemination of reliable professional advice to the client.

Patent valuation

Roberto Moro Visconti (Università Cattolica del Sacro Cuore – Department of Business Administration)
Working paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3156159

Patents are the result of risky and costly R&D and the developer will try to recover its costs (and earn a return) through the sale of products covered by the patent, licensing others to use the invention (often a product or process), or through the outright sale of the patent.

Patents are typically valued for litigation or licensing purposes.

This paper shows how patents can create scalable value, levered by debt and serviced by intangible-driven incremental EBITDA and cash flows. Intangibles like patents are also a vital component of cash generating value and goodwill as an excess return. Operating leverage is enhanced by scalability, with a

positive impact on cash generation.

Why do startups use trade secrets?

David S. Levine (Elon University School of Law; Stanford University – Center for Internet and Society)

Ted M. Sichelman (University of San Diego School of Law)

94 Notre Dame Law Review (2018, Forthcoming)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3166834

Empirical studies of the use of trade secrecy are scant, and those focusing on startups, non-existent. In this paper, we present the first set of data — drawn from the Berkeley Patent Survey — on the use of trade secrets by U.S. startup companies in the software, biotechnology, medical device, and hardware industries. Specifically, we report on the prevalence of trade secrecy usage among startups. Additionally, we assess the importance of trade secrets in relation to other forms of intellectual property protection and barriers to entry, such as patents, copyrights, first-mover advantage, and complementary assets. We segment these results by a variety of factors, including industry, company business model, overall revenue, patenting propensity, funding sources, innovation types, and licensing. From this segmentation, we implement a basic regression model and report on those factors showing a statistically significant relationship in the use of trade secrets by startups. Our results point to three major findings. First, trade secrecy serves other important aims aside from first-mover advantage. Second, trade secrets may act both as economic complements and substitutes to patenting. Third, trade secrets may serve as important strategic assets, functioning much in the same manner as patents in terms of licensing and setting the boundaries of the firm.

University technology transfer and laggards: differential results and policy implications

David Orozco (Florida State University – College of Business)

Working paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3152148

Universities are unique environments that thrive on the research and curiosity of their faculty and students. A substantial amount of innovation results from the creative endeavors of these individuals. To disseminate knowledge and potentially derive lucrative sources of funding, universities have entered the field of technology commercialization and patenting. The passage of the Bayh-Dole Act was instrumental to encourage this activity and the result has been an explosion of university-related patenting. This activity comes at a social cost, however, since patents restrict knowledge transfers and may create deadweight losses. These costs are amplified if the perspective is adopted that views technology transfer office (TTO) activity from a narrow financial or cost-benefit viewpoint. As demonstrated in this study, twenty institutions belong to an elite grouping of leader institutions that have financially sustainable TTO operations. The rest are classified as laggards.

This article examines why laggard universities continue to support TTOs when they are a financially losing proposition. Transaction cost economics, institutional theory, signaling and expected value theory offer insights related to the organization and maintenance of these offices. These theoretical perspectives help us to understand why universities engage in technology transfer and expand our understanding of this complex phenomena. An in-depth examination of the highly successful Taxol case at Florida State University, a laggard institution, sheds light on some of the antecedents for a successful technology transfer event. The case reinforces the view that technology transfer should not be viewed narrowly, even among laggard institutions, but rather it should be viewed as a strategic endeavor that involves signaling and the observance of social conventions.

IP & Innovation

Inequality, innovation, and patents

Colleen V. Chien (Santa Clara University – School of Law)

Santa Clara Univ. Legal Studies Research Paper No. 2018-03

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3157983

This article explores the relationship between inequality, innovation, and patents, making three contributions. First, it reveals how shifts in patented innovation over the last several decades have contributed to broader social and economic shifts, away from manufacturing-based, domestic, and independent innovation, and towards digital, foreign, and corporate innovation, validating both optimistic accounts of immigration-driven, digital prosperity and pessimistic accounts of the shrinking role of domestic innovators. Second, it offers a framework for understanding the relationship between innovation and inequality that includes both the potentially inequality-increasing impacts of innovation and the potentially inequality-decreasing impacts of innovation and specifies the contribution of intellectual property to these dynamics. To minimize the risk of inequality-driven stagnation and maximize the social benefits of innovation, it argues, more attention should be paid to inclusion in innovation, and on tracking not only the amount but distribution of innovation. Demonstrating the value of this approach, it documents the striking concentration of new patents in the hands of the few, with 53% of new grants in 2016 going to the top 1% of grantees (up from 38% in 1986) - a historic high - as well as the decline in the share of patent filings by small and micro entities from 33% in 2000 to 28.5% in 2015.

Innovation and state owned enterprises

Bernardo Bortolotti (Bocconi University; University of Turin)

Veljko Fotak (State of New York (SUNY) at Buffalo; Bocconi University – BAFFI Center on International Markets, Money, and Regulation)

Brian Wolfe (State University of New York (SUNY) at Buffalo)

BAFFI CAREFIN Centre Research Paper No. 2018-72

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3150280

We investigate the impact of state ownership on the innovativeness of firms, as measured by the number, quality, and value of the patents produced. In a sample of listed European firms, we find that minority government ownership increases investment in research and development, especially for financially constrained firms and during “normal” macroeconomic conditions. Yet, government control leads to the opposite effect, by imposing myopic goals and complicating access to private equity markets. Overall, state owned enterprises (SOEs) produce fewer patents per dollar invested and about 10% fewer patents in absolute terms. When comparing SOE patents to private-sector patents, we find no difference in patent quality as measured by the number of citations received per patent or by the market reaction at patent publication. Furthermore, we find no increase in the number of patents focused on sustainable technologies, suggesting that SOEs do not emphasize innovation that produces public goods or social spillovers.

Exhaustion in the service of progress

Ofer Tur-Sinai (Ono Academic College)

Cardozo Arts & Entertainment Law Journal, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3154011

Under the doctrine of patent exhaustion, an authorized sale of a patented item exhausts the patentee's rights with respect to that item, leaving the purchaser and subsequent owners free to use or resell it without fear of an infringement lawsuit. In 2017, the U.S. Supreme Court issued its landmark decision in *Impression Products v. Lexmark International*, which strengthened the exhaustion doctrine in various significant manners. The Court held that an authorized sale of a patented item exhausts all patent rights with respect to that item regardless of any contractual restrictions on use or resale the patentee purports to impose. The Court further held that exhaustion is triggered not only by local sales but also by authorized sales outside the United States. The decision is likely to have considerable implications across various industries.

This Article examines the immensely valuable but underexplored role that the exhaustion doctrine could play in the context of cumulative innovation. Research and development efforts often involve the need to use earlier patented inventions. Unfortunately, licensing transactions between cumulative inventors are characterized by particularly high transaction costs and other factors that may impede the ability of the parties to reach an agreement. As a result, the patent system may end up stifling technological progress rather than promoting it.

This Article demonstrates that this concern may be mitigated by the Lexmark decision. The patent exhaustion doctrine, as construed by the Supreme Court, could constitute an effective policy tool for facilitating cumulative innovation in a variety of settings. For instance, under the post-Lexmark exhaustion doctrine, a patent owner would not be able to invoke patent law to prevent a purchaser of a patented product from reverse engineering it while developing an improved version or a compatible product; from using the patented product as a research tool in the investigation of any subject matter; or from combining the product with other components or integrating it into a larger system. Most importantly, the post-Lexmark exhaustion doctrine would shield such activities of a follow-on inventor notwithstanding any contractual post-sale restrictions and regardless of the location of the sale. Overall, applying the exhaustion doctrine to cumulative innovation settings in the manner proposed by this Article could have vast implications for our innovation ecosystem.

Recoupling founders with their IP – improving innovation by rationalizing IRC Section 351 (licensing vs. assignment of founders' IP in VC backed start-ups)

Mira Ganor (University of Texas at Austin – School of Law)

Working paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3153839

This Article questions the conventional wisdom of the U.S. practice of early assignment of founder's intellectual property to the venture capital backed startup-company. The Article shows that certain U.S. tax rules motivate founders to rush to assign their individually owned intellectual property to the startup-company rather than license it to the company. This tax enhanced distortion of the founders' choice may have socially inefficient effects that under certain circumstances hinder innovation by decoupling the intellectual property from those who are most apt to exploit it. Thus, this Article offers for consideration, proposals to reform the current tax treatment of intellectual property transfers. The proposed reform will level the playing field from a tax perspective and prevent distorting the founders' choice between intellectual property assignment and intellectual property licensing.

Patent disclosure

Deepak Hegde (New York University (NYU) – Leonard N. Stern School of Business)

Kyle Herkenhoff (University of Minnesota)

Chenqi Zhu (New York University (NYU) – Leonard N. Stern School of Business)

Working paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3158031

How does the disclosure of technical knowledge through patents affect knowledge diffusion, follow-on invention, and patenting? We study this by analyzing the American Inventor's Protection Act (AIPA), which required U.S. patent applications filed after November 28, 2000 to be published 18 months after filing, rather than at grant, and advanced the disclosure of most U.S. patents by about two years. We estimate AIPA's causal effect by using a counterfactual sample of identical European "twins" (of U.S. patents) which were not affected by the U.S. policy change and find that AIPA (i) increased the rate and magnitude of knowledge diffusion associated with U.S. patents (ii) increased overlap between technologically distant patents and decreased overlap between similar patents. Patent abandonments and scope decreased, while patent clarity improved, after AIPA. The findings are consistent with the predictions of our theoretical framework which models AIPA as provisioning current information about related technologies to inventors. The information, in turn, reduces follow-on inventors' R&D and patenting costs. Patent disclosure promotes knowledge diffusion and clearer property rights while reducing R&D duplication.

IP & Litigation

Influencing juries in litigation 'hot spots'

Megan M. La Belle (Catholic University of America (CUA) – Columbus School of Law)

Indiana Law Journal, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3146978

This Article considers how corporations are using image advertising in litigation "hot spots" as a means of influencing litigation outcomes. It describes how Samsung and other companies advertised in the Eastern District of Texas — a patent litigation "hotspot"— to curry favor with the people who live there, including by sponsoring an ice rink located directly outside the courthouse. To be sure, image advertisements are constitutionally-protected speech, and might even warrant the highest level of protection under the First Amendment when they are not purely commercial in nature. Still, the Article argues, courts should be able to prohibit such advertisements altogether, or at the very least limit their impact through voir dire and discovery, because they threaten the right to an impartial jury guaranteed by the Seventh Amendment.

Patent semi-comparables

Colleen V. Chien (Santa Clara University – School of Law)

C. Eric Schulman (Fish & Richardson)

25 Texas Intellectual Property Law Journal 215 (2018)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3157956

Over the last decade, courts have applied increasingly stringent standards to the evidence used to determine patent damages. While this has reduced the risk of awards untethered to the facts, the current focus on strictly comparable licenses covering technology similar to the patent that resemble one-way, royalty-bearing "hypothetical licenses" specified by law has created its own problems, particularly in the valuation of component patents, many of which are incorporated into a single product. The rejection of what we refer to as "semi-comparables"—licenses that deviate in some significant way from the terms of the hypothetical license—has led to distorted incentives, unpredictability, and the exclusion of many of the ex ante transactions that best reflect the incremental value of the invention. We believe that the

wholesale exclusion of such licenses is wrong—the problem is not that certain licenses are insufficiently comparable but that courts need better approaches to properly and flexibly interpret evidence of comparables and semi-comparable licenses. Framed in this way, the solution is not to exclude licenses but instead to apply an inclusive but disciplined approach to reasonable royalty determinations that prioritizes objective evidence of a patent’s incremental value even in the form of traditionally excluded “semi-comparable” transactions like technology (as opposed to “patent”) licenses and sales. Though courts have been reluctant to use semi-comparables because of a lack of objective information about their formation, we begin to address this void, drawing upon the collective wisdom of licensing lawyers we interviewed, the nearly two-decade-long career of one of us as a licensing lawyer, and studies of thousands of actual licenses. When a reasonable, evidence-based estimate or upper bound cannot be derived, we consider the expanded use of tailored injunctions, assuming the other eBay elements are met.

Brief of Electronic Frontier Foundation and R Street Institute as amici curiae, in *WesternGeco, LLC v. ION Geophysical Corp.*, No. 16-1011

Daniel K. Nazer (Electronic Frontier Foundation; Center for Internet and Society – Stanford Law School)

Bernard Chao (University of Denver Sturm College of Law)

Brian J. Love (Santa Clara University School of Law)

Charles Duan (R Street Institute)

Working paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3155392

The Court’s ruling in this case could vastly expand the reach of U.S. patent law. Although the dispute before the Court involves a claim brought under 35 U.S.C. § 271(f), the theory of damages advanced by the Solicitor General and others could allow extraterritorial damages in all patent cases. Expanding patent damages in this way would effectively transform every U.S. patent into a worldwide patent. That result cannot be justified as a matter of doctrine or policy.

Damages for patent infringement are limited to acts within the United States—to hold otherwise would contradict the plain text of the Patent Act, which has a clear domestic focus. Section 271(a), which limits infringement to acts “within the United States” and importation “into the United States,” is expressly limited to domestic conduct. And although § 271(f) was enacted in response to an extraterritoriality decision of this Court, that statutory provision does not provide for extraterritorial damages; rather, it remains firmly rooted in conduct “in or from the United States.” The legislative history makes clear that Congress’ sole intention with § 271(f) was narrowly to abrogate that decision of this Court and no more, contradicting the notion that § 271(f) expands patent remedies to overseas use. Thus, contrary to the arguments of Petitioner and some amici, the Patent Act explicitly renders foreign injuries inactionable, an observation sufficient to reject Petitioner’s arguments and dispose of this case.

The long-standing assumption of international patent policy is that an innovator who wishes to recover damages for sales or uses in a jurisdiction must apply for a patent in that nation. Disrupting that arrangement will cause a number of harms, many of which would be felt particularly by companies operating in the United States. Extraterritorial damages, especially if imposed under a theory that would apply even to infringement under § 271(a), could expose companies that conduct research and development in the United States to worldwide damages. This would discourage companies from innovating here. International damages could also undermine other nations’ sovereignty. Both the scope of patent law and available remedies differ around the world. This means that allowing damages in U.S. courts for sales and uses overseas could undermine the autonomy of nations that have chosen not to extend patent law to certain fields. Moreover, allowing extraterritorial damages might encourage other

nations' courts to impose damages for sales and use in the United States, thereby undermining U.S. sovereignty.

IP Law & Policy

United Kingdom patent decisions 2017

Julia Powles (University of Cambridge – Faculty of Law)

Johnathon Liddicoat (University of Cambridge – Faculty of Law; University of Tasmania)

IIC (2018) 49:318–323

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3157349

This report highlights the main UK patent decisions from 2017, including a major Supreme Court infringement case introducing a doctrine of equivalents, the first ruling on FRAND royalty rates and injunctions, compensation for employee inventors, legal priority, patentable subject matter, and a novel, unsuccessful attempt by the State to sue a pharmaceutical company whose invalid patents delayed the entry of generics.

The patent system at a crossroads

Jonathan Barnett (USC Gould School of Law)

Regulation, Vol. 41, No. 1, Spring 2018

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3147181

Judicial decisions, agency actions and legislative enactments have promoted a creeping reversion toward the weak patent regime that prevailed for several decades preceding the establishment of the Court of Appeals for the Federal Circuit. The pending Supreme Court case, *Oil States Energy Services v. Greene's Energy Group*, provides an opportunity to reflect upon the choice between a “property rights” vision of the patent system in which resource allocation is principally directed by market signals and an administrative vision of the patent system in which resource allocation is perpetually subject to adjustment by courts and regulators. A growing body of empirical research raises doubts concerning the social costs that have been attributed to a robustly enforced patent system and, by implication, poses a challenge to policy actions that have targeted property-like attributes of that system.

Custom-edited DNA: legal limits on the patentability of CRISPR-Cas9's Therapeutic Applications

Noah Chauvin (College of William and Mary, Marshall-Wythe School of Law, Students)

William & Mary Law Review, Vol. 60, 2018, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3149126

CRISPR-Cas9 is a revolutionary genetic-editing technology that allows scientists to alter DNA cheaply, easily, and with an incredible degree of accuracy. These factors give CRISPR-Cas9 enormous therapeutic potential. Researchers and physicians can use CRISPR-Cas9 to edit DNA to treat a broad range of human illnesses. However, CRISPR-Cas9's genetic editing ability raises serious questions about whether CRISPR-based therapies are patentable subject matter under traditional rules for patentability and the America Invents Act. This Note seeks to identify when CRISPR-based therapies are patentable subject matter, and when they are not. It concludes that CRISPR-Cas9 systems used to treat viral and bacterial infections are patentable, whereas CRISPR-Cas9 systems used to edit somatic or germ-line cells are not.

Copyright Law

Copyright arbitrage

Kristelia A. Garcia (University of Colorado Law School)

California Law Review, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3151776

Regulatory arbitrage — defined as the manipulation of regulatory treatment for the purpose of reducing regulatory costs or increasing statutory earnings — is often seen in heavily-regulated industries. An increase in the regulatory nature of copyright, coupled with rapid technological advances and evolving consumer preferences, have seen an unprecedented proliferation of regulatory arbitrage in the area of copyright law. This article offers a new scholarly account of the phenomenon herein referred to as “copyright arbitrage.”

Where economic arbitrage is often considered net-neutral, copyright arbitrage is uniquely concerned with initial allocations, such that their manipulation is unlikely to be net-neutral in effect. Specifically, the nature of copyright arbitrage as a means of either reducing regulatory costs or increasing statutory earnings necessarily contravenes one or another of copyright’s foundational goals of incentivizing the creation of, and ensuring access to, copyrightable works. In other words, if we assume current copyright protections are optimally set, this contravention renders copyright arbitrage net-negative on balance. Even if we instead assume those protections are suboptimal, the existence of copyright arbitrage nonetheless provides strong support for the classification (and clarification) of copyright as a complex regulatory regime in need of a strong regulatory apparatus.

Given the strengths and weaknesses of each of the legislature and the judiciary in copyright, this article suggests a three-pronged approach to identifying, and curbing, copyright arbitrage: First, courts should take a purposive, substantive approach to interpretations of the Copyright Act. Second, Congress should empower a regulatory agency with rulemaking and enforcement authority. Finally, antitrust law can help to curb the anticompetitive effects of copyright arbitrage resulting from legislative capture.

The exception for text and data mining (TDM) in the proposed directive on copyright in the digital single market - legal aspects

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Giancarlo Frosio (Université de Strasbourg – CEIPI; Stanford University – Stanford Law School Center for Internet and Society)

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Centre for International Intellectual Property Studies (CEIPI) Research Paper No. 2018-02

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3160586

This research paper reproduces the study commissioned to CEIPI by the European Parliament’s Policy Department for Citizens’ Rights and Constitutional Affairs at the request of the Committee on Legal Affairs (JURI-Committee). It provides an analysis of the European Commission’s Proposal to introduce in Article 3 a mandatory exception to copyright allowing to carrying out text and data mining of protected works, assesses its positive and negative impacts and provides some suggestions for possible improvements. Advantages of introducing an “open clause” in EU copyright law on top of an enumerated list of limitations and exceptions to address some of the related problems are also reviewed.

Art in the shadow of the law

Brian L. Frye (University of Kentucky – College of Law)

Kentucky Bench & Bar Magazine (March 2018)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3152924

While precious little law is specific to art, a rich and complex body of social norms and customs effectively governs artworld transactions and informs the resolution of artworld disputes. In any case, a smattering of scholars study art law and a similar number of lawyers practice it. In this essay, I will provide a brief overview of art law from three different perspectives: the artist, the art market, and the art museum.

IP & Trade

The aroma of opportunity: the potential of wine Geographical Indications in the Comprehensive Economic Cooperation Agreement

Susanne Taylor (Bond University)

Madeline Taylor (The University of Sydney Law School)

THE IMPORTANCE OF PLACE: GEOGRAPHICAL INDICATIONS AS A TOOL FOR LOCAL AND REGIONAL DEVELOPMENT, William van Caenegem, Jen Cleary (Eds.) (pp. 81-110), 2017

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3161857

As the Australian federal government seeks greater economic and trade integration with its regional neighbours, this chapter reviews the potential to include Australian wine Geographical Indications (GIs) in current Free Trade Agreement (FTA) negotiations with India in the Comprehensive Economic Cooperation Agreement (CECA). FTAs have been characterised as a 'spaghetti bowl' of bi-lateral and multi-lateral agreements in the Asia Pacific region, leading to a debate about harmonisation, integration and codification of GIs in international trade negotiations. There are two distinct methods of including Intellectual Property (IP) content within FTAs: the minimum level of regulation, under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), termed 'TRIPS-minus' and a comprehensive regulatory and protection regime, termed 'TRIPS-plus'. Both Australia and India have adopted a TRIPS-minus approach to FTA negotiations, reiterating the minimum GI standards under Section 22 of the TRIPS agreement. This is despite the high export value of Australia's wine GIs to India and India's extensive and stringent national GI system. Australian wine industry associations continue to lobby the federal government to include wine GIs in Australia's FTA negotiations asserting that a TRIPS-plus trade position will boost Australia's wine exports, meet consumer demand for wine and support local producer communities. Using the Trans Pacific Partnership (TPP) as an example of heightened TRIPS-plus GI protection and development in regional FTAs, this chapter concludes with a recommendation to include an annexure in the current CECA negotiations in recognition of the value GIs represent in the Australian agricultural sector.

Other IP Topics

Now you own it, now you don't — or do you?: Copyright and related rights in magic productions and performances after *Teller V. Dogge*

F. Jay Dougherty (Loyola Law School (Los Angeles))

from *NON-CONVENTIONAL COPYRIGHT - DO NEW AND ATYPICAL WORKS DESERVE*

PROTECTION? Nicola Lucchi and Enrico Bonadio, editors, Edward Elgar Publishing (2018 Forthcoming)
https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3151843

Derek DelGaudio is a successful magician, who is noted for theater productions such as “In and of Itself” that embed magic illusions in a more complex narrative, portraying character and evoking strong emotions from his audience. One review stated: “In & Of Itself makes the case for the art of magic with the power of storytelling. Derek DelGaudio isn’t just performing magic tricks but presenting a moving deeply personal and compelling narrative, using magic as a metaphor to reach a deeper truth.” It is clear that dramatic works are protected by copyright, but the creations and performances of magicians are among the types of expression at the edges of copyright and other intellectual property protection. There are many types of intellectual property law that may provide protection to some magic illusions and productions. This article will explore potential copyright protection for such creations and performances. The tricks and illusions of a magician, if novel, useful and non-obvious, are protectable by patent. But magician inventors may be reluctant to obtain patents, because, as part of that process, the specifics of the invention must be disclosed to the public, including competing magicians. If not patented, the secrets behind those tricks and illusions, having commercial value and being maintained as secrets, may receive protection as trade secrets. The basic requirements for patent and trade secret, along with their limiting doctrines, limit the value of those doctrines in protecting magicians. That, coupled with limits on potential copyright protection, has led magicians to seek to protect exclusivity in their magic pieces through custom or, at times, through consensual self-regulation.

Improving access to patented medicines: are human rights getting in the way?

Sivaramjani Thambisetty (London School of Economics and Political Science)

LSE Legal Studies Working Paper No. 3/2018

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3130703

This paper examines the value of human rights arguments in reducing the access gap to patented medicines. Great efforts continue to be poured into institutional, doctrinal and activist settings to bring human rights thinking to bear on the grant and exploitation of patents. Far from triggering meaningful intervention, however, the international human right to health functions as a placeholder, pointing to specific sites of injury or harm and diverting attention from larger ambitions of justice over current incentive structures around patented pharmaceuticals. Excessively technical, incomplete theorising and linguistically driven decision-making have purged reflexive spaces in patent law that might have accommodated purposive reasoning aligned with the protection of human rights. Reliance on the human right to health to correct the technocratic forces in patent law is doomed to fail, because doing so ignores the source of the problem. The point is not that we should not limit patent rights; it is that we cannot do so using only human rights thinking. It would be far better to uncouple human rights from patent law, so that we may systematically retool the latter to be a purposive and reflexive system of law that understands and participates in its own consequences.

The telegraph

Adam Mossoff (George Mason University – Antonin Scalia Law School, Faculty)

A History of Intellectual Property in 50 Objects, Dan Hunter & Claudy Op de Kamp eds. (Cambridge University Press, 2018)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3157857

This chapter, written for the forthcoming monograph *A History of Intellectual Property in 50 Objects*, discusses the scientific, technological, and social context of Samuel F.B. Morse’s invention of the telegraph in the 1830s in New York City. Morse’s invention was called the “Lightning Line” and he was called the “Lightning Man,” because of its use of electricity to operate an electro-magnet in making tics on

a strip of paper—the dots and dashes also invented by Morse to use on his telegraph and eponymously called Morse Code. Lightning is an apt metaphor if only because it captures perfectly the communications revolution sparked by Morse’s invention, which is still occurring today via the Internet (its undersea fiber optic cables follow the same paths of the telegraph cables first laid in the 1850s). In making possible instantaneous communication of all information the world over, the telecommunications revolution wrought by Morse’s telegraph has impacted everything—industry, commerce, education, and even the English language. In its survey of this wide-ranging impact of Morse’s telegraph, it brings some added color to a man and his invention that most patent lawyers know only via a lawsuit that resulted in a famous Supreme Court decision in 1851, and that many others today know only as the creator of Morse Code.

About the editor

Dr. Anne Layne-Farrar is a vice president in the Antitrust & Competition Economics Practice of CRA. She specializes in antitrust and intellectual property matters, especially where the two issues are combined. She advises clients on competition, intellectual property, regulation, and policy issues across a broad range of industries with a particular focus on high-tech and has worked with some of the largest information technology, communications, and pharmaceuticals companies in the world.

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CRA’s Competition and Intellectual Property Practices provide clients with a unique combination of antitrust economics expertise and IP valuation, damages, transactions, and strategy experience across all industries.

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