



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

Amici Curiae Brief of 66 Law, Economics, Business, and Medical Professors in Support of Plaintiffs-Appellants

Michael A. Carrier (Rutgers Law School)

Seventh Circuit brief in UFCW Local 1500 Welfare Fund v. AbbVie Inc.

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3708338

A company collects more than 100 patents on a drug. It then aggressively asserts this “patent thicket” and enters into settlements with each of the competitors that could enter the market, paying them to delay their entry for years. The company admits that its strategy is to “make it more difficult” for rivals forced to “contend with [its] extensive patent estate.”

Does this violate antitrust law? That presents a nuanced issue. But at least it deserves consideration, which could ultimately involve the weighing of the thicket’s benefits against the anticompetitive harms of abusing this collection.

In this litigation, involving the biologic Humira, the district court never allowed this critical debate to play out. In particular, it short-circuited the analysis by making fundamental errors on how to (1) analyze settlements, (2) assess sham conduct, and (3) determine causation. Because of these errors, the brief requests that the Seventh Circuit reverse.

IP & Licensing

Patent Screening, Innovation and Welfare

Mark Schankerman (London School of Economics & Political Science (LSE) – London School of Economics)

Florian Schuett (Tilburg Law and Economics Center (TILEC); Tilburg University – Tilburg University School of Economics and Management)

TILEC Discussion Paper No. DP2020-024

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3697422

Critics claim that patent screening is ineffective, granting low-quality patents that impose unnecessary social costs. We develop an integrated framework, involving patent office examination, fees, and

endogenous validity challenges in the courts, to study patent screening both theoretically and quantitatively. In our model, some inventions require the patent incentive while others do not, and asymmetric information creates a need for screening. We show that the endogeneity of challenges implies that courts, even if perfect, cannot solve the screening problem. Simulations of the model, calibrated on U.S. data, indicate that screening is highly imperfect, with about forty percent of all patents issued on inventions that do not require the patent incentive. While we find that the current patent system generates positive social value, intensifying examination would yield large welfare gains. The social value of the patent system would also be larger if complemented by antitrust limits on licensing.

Unfair Pricing and Standard Essential Patents

Marco Botta (European University Institute – Robert Schuman Centre for Advanced Studies (RSCAS))
Robert Schuman Centre for Advanced Studies Research Paper No. RSCAS 2020/60

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3712295

Technical standards that are agreed within a Standard Development Organization (SDO) often cover several 'essential' patents for the implementation of a standard (i.e., Standard Essential Patents, SEPs). In order to allow for the standard implementation, the SEP holder commits to license its patents to any potential licensee on the basis of Fair and Reasonable and Non-Discriminatory (FRAND) conditions. In view of the recent ruling of the UK Supreme Court in *Unwired Planet* and the judgement of the German Bundesgerichtshof in *Sisvel v. Haier*, the paper assumes that the FRAND commitment implies a 'range' rather than a 'single' royalty rate. On the other hand, a royalty rate 'beyond the outer boundary of the range' should be considered 'unfair', and thus incompatible with the FRAND commitment. Besides representing a breach of the FRAND commitment, an 'unfair' royalty rate might also be considered an abuse of a dominant position by the SEP holder, in breach of Art. 102(a) TFEU. This paper analyses whether, and under what circumstances, Art. 102(a) TFEU can be relied upon by a competition authority in Europe to sanction a case where an 'unfair' royalty rate has been set by the SEP holder. To this regard, the paper provides a detailed analysis of the EU Court of Justice's jurisprudence on Art. 102(a) TFEU. In particular, the latter jurisprudence is relied as a 'yardstick' to assess 'when' competition policy should sanction a request of unfair royalty rate by the SEP holder, 'how' a competition agency should assess the case and, eventually, 'what' remedies the competition authority might adopt.

Economists have elaborated a number of 'filters' to define 'when' EU competition policy should sanction unfair pricing cases. In particular, antitrust intervention would be justified only in markets that are characterized by high and stable entry barriers, in which a firm enjoys a super-dominant position. Due to the phenomenon of over-declaration, not every SEP is indeed 'essential'; the market power of the SEP holder thus requires a case-by-case analysis of the 'essentiality' of every SEP. A number of authors have also argued that excessive pricing cases should not be sanctioned in industries characterized by dynamic efficiencies. The paper argues that innovation considerations could be considered as efficiency defences in the context of antitrust investigations, rather than in excluding a priori competition policy enforcement in this field.

The paper argues that a competition agency should rely on the case law of the Court of Justice of the European Union (CJEU) on Art. 102(a) TFEU to analyse a case of unfair royalty rate. In particular, United Brands cost/price test is not suitable for assessing an unfair royalty rate requested by the SEP holder, since it is de facto impossible to determine the 'costs of production' of individual SEPs. On the other hand, in accordance with the CJEU case law, the competition agency might rely on a number of benchmark methods with which to assess the alleged unfairness of the rate. In particular, the agency should verify its findings under multiple benchmark tests, in order to minimize the risk of false negative errors. Finally, the SEP holder could argue that the requested royalty rate is justified by its past R&D investments.

In terms of remedies, the paper argues that a competition agency could require the SEP holder to license its 'essential' patent; such behavioral remedy is well established in the practice of the European Commission. In light of the recent Broadcom interim decision, if the competition authority was confident about its preliminary findings of unfair pricing, the agency might require the SEP holder to license its 'essential' patents via an interim decision; the scope, duration and exact obligations of such a duty would later be refined in the final commitment decision.

IP & Innovation

COVID-19 Shifted Patent Applications Toward Technologies that Support Working from Home

Nicholas Bloom (Stanford University – Department of Economics; National Bureau of Economic Research (NBER))

Steven J. Davis (University of Chicago; National Bureau of Economic Research (NBER); Hoover Institution)

Yulia Zhestkova (University of Chicago)

University of Chicago, Becker Friedman Institute for Economics Working Paper No. 2020-133

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3695191

This note develops evidence that COVID-19 shifted the direction of innovation toward new technologies that support video conferencing, telecommuting, remote interactivity, and working from home (collectively, WFH). To do so, we use automated readings to parse the subject matter content of U.S. patent applications, identifying those that advance WFH technologies.

Patent Quality: Towards a Systematic Framework for Analysis and Measurement

Kyle Higham (Ecole Polytechnique Fédérale de Lausanne)

Gaétan de Rassenfosse (Ecole Polytechnique Fédérale de Lausanne)

Adam B. Jaffe (Brandeis University; Motu Economic and Public Policy Research; National Bureau of Economic Research (NBER))

NBER Working Paper No. w27598

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3700673

The 'quality' of novel technological innovations is extremely variable, and the ability to measure innovation quality is essential to sensible, evidence-based policy. Patents, an often vital precursor to a commercialised innovation, share this heterogeneous quality distribution. A pertinent question then arises: How should we define and measure patent quality? Accepting that different stakeholders have different views of this concept, we take a multi-dimensional view of patent quality in this work. We first test the consistency of popular post-grant outcomes that are often used as patent quality measures. Finding these measures to be generally inconsistent, we then use a raft of patent indicators that are defined at the time of grant to dissect the characteristics associated with different post-grant outcomes. We find broad disagreement in the relative importance of individual characteristics between outcomes and, further, significant variation of the same across technologies within outcomes. We conclude that measurement of patent quality is highly sensitive to both stakeholder viewpoint and technology type. Our findings bear implications for scholarly research using patent data as well as for policy discussions about patent quality.

Bargaining for Innovation

Elizabeth I. Winston (Catholic University of America (CUA) – Columbus School of Law)

Villanova Law Review, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3679179

Reward drives innovation. For this reason, Congress has enacted a system of Patents, Trademarks, and Copyrights to incentivize innovation. Such publicly ordered intellectual property regulation supports public and private interests – mandating disclosure of the innovation while legislating protection of that disclosure. Increasingly, though, the legislated incentives are proving insufficient incentive for innovation, and innovators are relying on private incentives, undermining the fundamental balance of our legal framework and maximizing the reward to innovators at the cost of the public’s interest. Enforcement of contracts that supplant legislation rather than supplement it contravenes public policy and vitiates the public’s interest. It is time to reform public ordering to protect the public’s interest while providing the reward demanded for innovation.

Four Innovation Myths

Michael A. Carrier (Rutgers Law School)

Concurrences (Albert A. Foer Liber Amicorum), Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3713128

Bert Foer is one of the most influential figures in the past quarter century of antitrust. His founding and development of the American Antitrust Institute (AAI) filled a significant hole in late 20th-century antitrust and served as a useful counterweight to the Chicago School. In addition to his crucial work with AAI, Bert explored long-standing antitrust issues with a fresh perspective. In particular, he offered thoughtful insights on innovation, recognizing the vital role played by “diverse competition,” understanding innovation’s long-term horizon, and highlighting innovation’s importance in antitrust enforcement.

In the vein of channeling Bert’s fresh look at long-established issues and appreciation of innovation, I introduce and rebut four innovation myths in this chapter. Myths persist throughout the caselaw. But they are particularly likely to endure in this setting given the talismanic effect of the term “innovation.” No one can reasonably stand on the opposite side of “innovation,” the lifeblood of the U.S. economy. To do so would cast one’s lot with the fragile sands of backwards thinking and technological regression. Sometimes, however, innovation arguments are not appropriate or supported.

This chapter exposes four of these “innovation myths”: (1) innovation is reflected solely by the initial invention; (2) innovation can be evaluated only in product markets; (3) robust intellectual property enforcement leads to more innovation; and (4) innovation is the only objective in certain settings.

IP Law & Policy

‘The Invention, The Patent, and The Claim’ in Patent Law: An Open-Access Casebook

Sarah Burstein (The University of Oklahoma College of Law)

Sarah R. Wasserman Rajec (William & Mary Law School)

Andres Sawicki (University of Miami – School of Law)

Working Paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3708278

This is a draft chapter, “The Invention, The Patent, and The Claim,” from the forthcoming book, Patent Law: An Open-Access Casebook. In this chapter, we introduce students to different ways in which the contribution that an inventor has made to the art relates to the claims that grant her some legal rights, as mediated by the patent document. We begin with The Incandescent Lamp Patent Case, which we use to illustrate the nature of the inventive process. We then show how the role of the claim has changed over time, from *Winans v. Denmead* to *Merrill v. Yeomans* to *Liebel-Flarsheim v. Medrad*. That history demonstrates the range of possible roles that claims might play, and serves as a basis for class discussions arising from the still unsettled relationship between the invention, the patent, and the claim.

COVID-19 Pandemic, Long-Term Incentives for Developing Vaccines and Infectious Disease Market: IP Law under Stress

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Working Paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3710888

Continents are facing an apocalyptic pandemic that pose a mortal danger to millions of its citizens. This paper seeks to address the role of intellectual property law in addressing the problem of COVID-19 pandemic. We suggest that current international IP law regime and TRIPS Agreement do not pose an insurmountable impediment to access to the successful COVID-19 vaccine. Publicly advocated fundamental reform or even the abolishment of the current IP law regime under severe information asymmetries might be counterproductive and distortive. Governments can via existing compulsory licensing, advance purchase agreements and employment of patent-pools, research subsidies, reward mechanisms and reputational sanctions take necessary steps to effectively overcome any IP barriers in ensuring access to crucial medicines/vaccines especially during a COVID-19 pandemic. Moreover, the current rate of medical research on COVID-19 suggests that previous vaccine R&D “failures” were driven by rather limited demand for such vaccines and where not the problem of inadequate IP-incentive stream. Furthermore, paper suggest that the current EU competition law rules on the horizontal exchange of information might be perceived as an impediment to innovate and might be temporary suspended. In addition, paper offers several substantive insights on an improved IP related public policy respond in the war against COVID-19.

Owning Knowledge: A Unified Theory of Patent Eligibility

Talha Syed (University of California, Berkeley)

Working Paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3699014

Patent law’s doctrine of ineligible subject matter is widely agreed to be in a bad state of repair. Even those welcoming the Supreme Court’s return to express subject-matter bars have been left disoriented by the Court’s pronouncements in this area. Which subject matter is ineligible, why it is ineligible, and how it might become eligible have all remained enshrouded in mystery. The nub of the problem, this Article contends, is two-fold. First, from its 19th century origins to the present, courts grappling with ineligibility doctrine have remained in the grip of a series of “physicalist” misconceptions of the object of patent rights, and hence of the subject matter claimed in the patents at issue. In a nutshell, courts have not fully internalized that the object of patent rights is always and only an intangible space of “knowledge of” something, and never some “thing” itself. As a result, they have failed to characterize accurately the content of the ineligible subject matter categories, much less specify why they are ineligible. Removing these physicalist errors dissipates much of the fog in this area. In its wake emerges a second distinct theme of ineligibility case law: the intimation by the courts of a set of embryonic “functionality” concerns, which seek to restrict patents to zones of applied rather than basic knowledge. But these concerns have remained inchoate, owing to their entanglement in a physicalist web. Reconstructing eligibility doctrine requires, then, extricating incipient functionality concerns from the physicalist thicket, developing their independent basis, and, finally, properly following through on their doctrinal implications. Doing so yields three large gains. First, it provides a unified account of this body of law, something scholars have despaired of realizing. Second, it cures each of the three defects marring the existing doctrinal framework. Finally, it fully reintegrates the common law of ineligibility with the statutory and constitutional framework of patent law.

Secret Algorithms, IP Rights, and the Public Interest

Meghan J. Ryan (Southern Methodist University – Dedman School of Law)

Nevada Law Journal, Forthcoming

SMU Dedman School of Law Legal Studies Research Paper No. 484

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3691765

The secrecy surrounding the algorithms that play a central role in American life today is proving to have alarming effects. Judges and juries are convicting defendants based on secret evidence. Major advertisers like Facebook are discriminating against minorities seeking housing. And Russians may very well be hacking our voting machines to change election outcomes. The algorithm secrecy underlying these results obscures whether such legal outcomes are actually accurate and fair or whether they were based on faulty evidence, affected by bias, or manipulated by outside influences. These are just a handful of the public-interest perils of algorithm secrecy. This Article explains that the pervasive secrecy surrounding algorithms is not entirely by accident. The Supreme Court's recent overhaul of intellectual property (IP) law has driven algorithm developers toward secrecy. By limiting patent protection for software, the Court's new IP regime pushes developers away from the required disclosure of patent law and toward the obscurity of trade secret law. In doing so, the new regime neglects to take into account the many negative effects that this heightened secrecy has on the public interest. Accuracy, fairness, and good policy require a more careful consideration of the tradeoffs between secrecy and transparency. This includes not only exploring how to minimize these swelling public-interest concerns but also reexamining the Court's new IP rules with these negative effects in mind.

Patent Law's Equitable Defenses

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University of Miami Law Review, 2020

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3686120

In *Merck & Co. Inc. v. Gilead Sciences Inc.*, a jury found Gilead liable for infringement of Merck's patents directed to treatment for Hepatitis C and awarded Merck \$200 million in damages. Three months later, however, the trial judge found that the patents were unenforceable under the equitable defense of unclean hands and rendered the damages verdict moot. In patent law, "unenforceability" carries immense force, limiting and in some cases barring all remedies for infringement of a valid patent. Five doctrines together make up the defense of "unenforceability" as it was incorporated into the Patent Act in 1952: laches, estoppel, unclean hands, patent misuse, and, according to some, inequitable conduct. Yet in the 70 years since incorporation of equitable defenses into the patent statute, the Supreme Court has not fully illuminated the reach of these equitable defenses. The Court denied certiorari in *Merck & Co. Inc. v. Gilead Sciences Inc.* in 2019 and sidestepped many salient issues on the equitable defense of laches in its opinion in *SCA Hygiene* in 2017. A significant question remains unanswered: In what contexts are equitable defenses available to bar damages at law? Several interpretive methods have been proposed for determining the reach of such generally worded statutes: Under a dynamic statutory interpretation like that proposed by Professor William Eskridge, courts would be permitted to develop such statutes in accordance with what the law ought to be. Under a traditional faithful agent approach, in contrast, courts would try to determine the scope as set forth by the legislature, piecing together context and history to frame limited words. The scope of equitable defenses in patent law is an ideal proving ground between these methods, having both historical background for use in traditional approaches and high-stakes social questions that factor into a dynamic approach—what conduct do we allow patentees to engage in before we cut off remedies for infringement on innovations that support our health and modern lifestyle?

Setting the stage of the statutory interpretive battle, this article examines the historical and statutory bases of equitable limits on patent law, with a particular focus on the substantive equitable defenses of unclean hands and patent misuse. It contrasts the history of equitable defenses such as estoppel, which

crossed fully into courts of law well before the merger of law and equity and the Patent Act, with equitable defenses such as laches, unclean hands, and misuse. It also explores inequitable conduct. The article walks through these defenses' pre-codification roots and potential statutory interpretations and presents normative and constitutional considerations under the competing interpretive approaches. It also presents a surprising approach to inequitable conduct. This article is the first to provide a comprehensive framework for the analysis of equitable defenses in patent law.

Copyright Law

The Copyright Tax

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Working Paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3673949

In 1841, Lord Babington described copyright “as a tax on readers for the purpose of giving a bounty to writers.” In this article, I take that description literally. Treating copyright as a tax-and-subsidy system, I use a novel data set to estimate the amount of the copyright tax and to demonstrate that the copyright tax has increased significantly for books and music with the transition from analog to digital distribution. I then explore who pays it. Finally, I use the rise-and-fall of the sound recording copyright as a natural experiment to explore what, if anything, taxpayers have received in return for paying their copyright taxes. Using a second new data set of stream counts scraped from last.fm for the year-end Hot 100 songs for the last fifty-seven years, I show that in the recording industry, a higher copyright tax-and-subsidy did not give taxpayers more and better music. If anything, it gave them less and worse, *ceteris paribus*. In other words, I show that copyright is the most pernicious kind of tax. It takes and gives nothing in return.

Literary Landlords in Plaguetime

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

NYU Journal of Intellectual Property & Entertainment Law, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3701236

Copyright scholars disagree about whether we should conceptualize copyright as a form of property. This essay accepts the property metaphor and asks what it entails. It observes that if copyright is property, then copyright owners are landlords. It reflects on why copyright owners love the property metaphor, but hate the landlord metaphor. And it asks how conceptualizing copyright owners as landlords might affect our assessment of their moral claims.

Rethinking Copyright’s Relationship to the First Amendment

Alfred C. Yen (Boston College – Law School)

100 B.U. L. Rev., 2020

Boston College Law School Legal Studies Research Paper No. 543

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3680218

This Article offers a new account of copyright’s relationship to the First Amendment. Until now, discourse about copyright and the First Amendment appears focused on applying a single standard of review. The Supreme Court has effectively taken the position that courts need only apply rational basis First Amendment scrutiny to copyright law. Some scholars have disagreed, arguing that intermediate scrutiny should be applied to all of copyright. By contrast, this Article argues that the proper level of First Amendment scrutiny depends on the type of copyright provision under review. In particular, courts should apply strict scrutiny to the few portions of the Copyright Act that embody viewpoint-based

regulation of speech, intermediate scrutiny to the more numerous provisions that employ content-based regulation of speech, and rational basis scrutiny to the Copyright Act's content-neutral provisions.

This suggestion draws inspiration from recent Supreme Court decisions applying strict scrutiny to aspects of trademark law. These cases show that basic free speech principles apply to intellectual property, thereby raising doubt about the wisdom of applying only rational basis First Amendment scrutiny to copyright. The Article uses these principles and insights gained from copyright's historical relationship to the First Amendment to construct a framework that gives courts the ability to curb the use of copyright as censorship or naked economic giveaway while preserving Congress' ability to implement appropriately reasoned copyright policies that serve the public interest.

IP & Trade

World Trade Organization: A Barrier to Global Public Health?

Srividhya Ragavan (Texas A&M University School of Law)

Intellectual Property Law and Access to Medicine: TRIPS Agreement, Health, and Pharmaceuticals (co-edited with Amaka Vanni) (2021 Forthcoming)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3709643

The harmonized trading system of the WTO was built on an underlying ideology that egalitarian access to health is a barrier to trade and that disparate access to health was the solution to innovation. A public health crisis in one part of the world can affect global trade in unimaginable ways. Thus, protecting public health has become the threshold to protect global trade. In the face of a global pandemic, access to health care and medication is the one paradigm that can alleviate many global concerns, including those involving and related to trade such as employment, travel, and more. Lack of medications – either from lack of availability of medication or lack of access – can catapult a possible national public health issue into an international global health crisis. The role of the WTO as the gatekeeper for minimizing and eliminating trade barriers remains important in taking a strategic leadership position for health-related matters. Despite this reality, the WTO has remained normative and divorced from the real impact of local realities on larger health issues.

Indeed, the WTO's failure to balance innovation with access has caused, contributed to, and affected access to medications. While the WTO's emphasis on patents on lifesaving medications played a role in innovation, it largely facilitated corporations from disengaging with issues that raise public policy, public health, and right to life concerns – both by commissions and omissions that denied access to lifesaving medications. This paper outlines seven specific ways in which the WTO has, through its actions, inactions, and/or prescriptions, detrimentally affected access to medicines. Hence, it outlines how the WTO's myopic actions resulted in trade becoming a barrier to public health, and in turn, to trade itself.

Technical Assistance As a Hedge to Intellectual Property Exclusivity

Daniel Opoku Acquah (University of Turku – Faculty of Law)

New Constitutionalism and Global Intellectual Property Protection, Jonathan Griffiths and Tuomas Mylly (eds), OUP, 2021, Forthcoming

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3682646

This article develops the connection between neo-colonialism and IP. The TRIPS Agreement and other hard norms such as TRIPS-plus bilateral treaties concluded between the EU, the USA and developing countries further contribute towards such neo-colonial control. Even so, an often overlooked but important aspect of such control is that once these treaties have been concluded, the EU, the USA and other co-opted international organizations such as WIPO actively offer technical assistance. The policy of technical assistance has often been criticized for introducing levels of IP protection that are mostly

inappropriate for the social and economic development of developing countries. This chapter argues that technical assistance – as a third layer of norms, in addition to existing multilateral, mega-regional and bilateral agreements – has become the ‘new informality’ emphasized in the new constitutionalist literature. Technical assistance programmes further hedge IP exclusivity by creating an elite IP community in developing countries that sees things through the dominant industrialized-country approach, effectively leading to epistemic lock-in. Technical assistance, therefore, functions as a facilitator of the constitutionalization of IP rights.

TRIPS in the Field of Test Data Protection

Peter K. Yu (Texas A&M University School of Law)

THE FIRST 25 YEARS AND THE FUTURE OF THE TRIPS AGREEMENT, Christopher Heath and Anselm Kamperman Sanders, eds., *Kluwer Law International*, 2021, *Forthcoming*

Texas A&M University School of Law Legal Studies Research Paper No. 20-28

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3716105

On April 15, 1994, the TRIPS Agreement was adopted in Marrakesh. For the past twenty-five years, this Agreement has established for both developed and developing countries the international minimum standards for the protection and enforcement of intellectual property rights. One area in which such standards were deficient before the founding of the WTO concerns the protections for undisclosed test or other data for pharmaceutical and agrochemical products. Article 39.3 of the TRIPS Agreement became the first multilateral provision in the field of test data protection.

This chapter takes stock of the evolution of international standards for the protection of undisclosed test or other data for pharmaceutical, agrochemical and, more recently, biological products. Focusing on Article 39.3 of the TRIPS Agreement, the chapter begins by recapturing the origins and normative contents of this provision. It then identifies several unresolved issues surrounding the provision, which have continued to raise concerns for developing countries. The chapter concludes by outlining three distinct sets of challenges that will have serious ramifications for the future development of international standards in the field of test data protection.

Other IP Topics

Does Conjoint Analysis Reliably Value Patents?

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Sydney Donovan (N/A)

American Business Law Journal, *forthcoming*

U Denver Legal Studies Research Paper No. 20-28

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3707805

Modern complex products are literally covered by tens or even hundreds of thousands of different patents. But patent lawsuits typically only involve one patent, or in more complex cases a handful of patents. Given these numbers, one might expect damages in patent cases to be a small fraction of product’s price. This turns out to be far from reality. A 2007 study found that reasonable royalty awards for a single component in a complex multicomponent product averaged 9.98% of the price of the infringing product. In response to these kind of disproportionately high damage awards, the Federal Circuit has repeatedly insisted that courts somehow “apportion” damages so that that awards only reflect the contribution made by the patent.

In an effort to satisfy the apportionment requirement, attorneys have offered a variety of crude estimates to calculate the value a specific patent contributes. One technique that appears to promise more rigor is conjoint analysis - a type of survey commonly used in the marketing world. However, in the legal

context, there has been very little scrutiny of conjoint analysis. This article explores the validity of this technique by running two conjoint analysis surveys. Unfortunately, we found serious problems with the approach. First, the results of our surveys yielded irrationally high numbers. Most features suffered from bizarrely high valuations while one feature did not. Second, we demonstrate how experts can manipulate the results of conjoint analysis by selecting among a number of different ostensibly reasonable statistical choices and picking the one that yields the most desirable outcome.

Based on these findings, we provide several recommendations. First, we argue that courts should not allow evidence of conjoint analysis to show the specific monetary value of specific features. We recognize that there is support for using conjoint analysis to provide relative valuations (i.e. feature A is worth significantly more than feature B), but even then, we urge caution and suggest ways to ensure that experts used the best “science” available. These recommendations include assuring that experts accurately depict variability in their results and requiring experts to “pre-register” the approach they intend to use by filing a description with the court.

The Patent Bar Gender Gap: Relaxing the Eligibility Requirements to Foster Inclusion and Innovation in the U.S. Patent System

Mary Hannon (DePaul University College of Law)

Working Paper

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3676026

Qualified women are unnecessarily excluded from membership in the “patent bar” as a result of the perpetuation of an institutionally biased and outdated set of scientific and technical requirements by the United States Patent & Trademark Office (USPTO). While the USPTO has not failed to recognize the lack of equal gender representation among innovators (i.e., inventors) in the United States, it has remained silent on the lack of gender diversity within its own patent bar. Still further, even when the gender gap within the patent bar has been acknowledged, there have been few, if any, attempts to abolish the systemic obstacles that seem to exclude women from participation.

This paper explores and criticizes the various obstacles prohibiting women from equal representation in the patent bar, and proposes possible solutions to reach greater gender inclusion therein. Specifically, the USPTO can foster greater inclusion and innovation in the U.S. patent system by (1) expanding the enumerated technical degrees that automatically satisfy the scientific and technical requirements for patent bar eligibility; (2) removing the undue requirements regarding program accreditation (for computer science degrees) and coursework; and/or (3) implementing an apprentice model as an alternative path to patent bar eligibility.

Chapter 2 – Ownership and Assignment of Intellectual Property

Jorge L. Contreras (University of Utah – S.J. Quinney College of Law)

Jorge L. Contreras, Intellectual Property Licensing and Transactions: Case and Materials (2020, Forthcoming)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3673627

The owner of an intellectual property right, whether a patent, copyright, trademark, trade secret or other right, has the exclusive right to exploit that right. Ownership of an IP right is thus the most effective and potent means for utilizing that right. But what does it mean to “own” an intellectual property right and how does a person – an individual or a firm – acquire ownership of it? This Chapter explores transfers and assignments of IP ownership, first in general, and then with respect to special considerations pertinent to patents, copyrights and trademarks.

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