



IP: Federal Circuit goes all in on double patenting

A RECENT RULING CAUTIONS INSTITUTIONS TO MONITOR THE INVENTORSHIP OF ASSIGNED PATENTS

In the Federal Circuit's recent 2-1 decision *In re Hubbell*, the court clarified the scope of the doctrine of obviousness-type double patenting as it applies to applications and patents that have overlapping inventors, but are not commonly owned. The court's decision provides a clear ruling on the subject of double patenting in cases of no common ownership, and cautions assignees to monitor inventorship of assigned patents and to stay aware of any future inventions of scientists who have changed institutions.

Double patenting

Double patenting is a judicially created doctrine developed to prevent unjustified extension of the term of the right to exclude granted by a patent. Historically, a double patenting rejection was raised when the claim of a pending patent application owned by an entity was not patentably distinct from a claim in another application/patent owned by the same entity.

Recent changes to the patent statute have expanded the reach of double patenting to include joint research agreements (JRAs).

The U.S. Patent and Trademark Office's (PTO) Manual of Patent Examining Procedure (MPEP) describes the situations in which double patenting may arise: "Double patenting may exist between an issued patent and an application filed by the same inventive entity, or by a different inventive entity having a common inventor, and/or by a common assignee/owner. Double patenting may also exist where the inventions claimed in a patent and an application were made as a result of activities undertaken within the scope of a joint research agreement."

Obviousness-type double patenting requires rejection of an application claim when the claimed subject matter is not patentably distinct from the subject matter claimed in a commonly owned patent, or a

non-commonly owned patent subject to a joint research agreement as set forth in 35 U.S.C. §103(c)(2) and (3) [based on the Cooperative Research and Technology Enhancement (CREATE) Act], when the issuance of a second patent would provide unjustified extension of the term granted by a patent. The CREATE Act states that subject matter disclosed and a claimed invention shall be deemed to have been owned by the same person or subject to an obligation of assignment to the same person if

1. The subject matter disclosed was developed and the claimed invention was made by, or on behalf of, one or more parties to a JRA 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 activities undertaken within the scope of the JRA

3. The application for patent for the claimed invention discloses or is amended to disclose the names of the parties to the JRA

The facts of the case

The PTO rejected the claims of U.S. Patent Application 10/650,509 under the obviousness-type double patenting doctrine in view of the issued claims of U.S. Patent 7,601,685. The claims of the '685 patent were to a particular species of fusion protein that would have been encompassed by or rendered obvious in view of the genus claims pending in the '509 application. The '509 application was filed in 2003, but claimed priority to a provisional application filed in 1997. The inventors on the '509 application, J.H., J.S., A.Z. and H.H, worked for and were obligated to assign the invention to the California Institute of Technology (Caltech) at the time of the priority application's 1997 filing. After filing what gave rise to the '509 application, two of the inventors, J.H. and J.S., left Caltech to begin related research at Eidgenossische Technische Hochschule Zurich (ETHZ). Subsequently, in 1998, an application naming J.H., J.S. and S.S.E. as inventors was filed, which ultimately gave rise to the '685 patent, having ETHZ and Universitat Zurich as assignees.

Because the '685 patent was filed later than the '509 application, it was not available as prior art under 35 USC §102 of

the patent statute in the '509 application. The examiner in the '509 application instead rejected the claims under the doctrine of obviousness-type double patenting because the application and patent shared two common inventors, although they did not have a common owner and were not the subject of a JRA. Hubbell argued in the alternative that

1. The double patenting rejection was inappropriate because the application and patent were not commonly owned
2. If double patenting were upheld, the assignee should be permitted to file a terminal disclaimer to overcome the rejection (drawing an analogy to the CREATE Act and 35 USC §103(c))
3. The test applied to determine double patenting should have been a two-way test and not a one-way test as applied by the PTO.

A one-way test of double patenting asks whether an application's claims are obvious over the issued patent claims (and specifies that the application at issue is the later-filed application). In a two-way test, the examiner also considers whether an applicant's patent claims are obvious over subsequent application claims, and is applicable if the PTO is responsible for the delay in prosecution of the earlier filed

application.

The court rejected all Hubbell's arguments. Because there were several common inventors, the double patenting rejection was proper even in the absence of common ownership or obligation to assign. The court held that that the CREATE Act was not applicable, as there was no JRA in place at the time of filing the second application, and, therefore, filing a terminal disclaimer was not a viable solution. Also, the two-way test for obviousness applies only in situations where the earlier-filed application issued after the later-filed patent due to patent office delay during prosecution. In the '509 application, the applicant admitted responsibility for some of the prosecution delay and therefore the two-way test did not apply. The *Hubbell* court reiterated two "justifications" for obviousness-type double patenting. The first is to prevent unjustified timewise extension of the right to exclude granted by a patent, and the second is to prevent multiple infringement suits (harassment) by different assignees asserting essentially the same patented invention. The court contends that a potential infringer could face separate suits from both Caltech and ETHZ, and therefore the *Hubbell* situation was the precise situation the statute was designed to prevent.

Possible ways to avoid the Hubbell conundrum

The court's ruling clarifies that

it is irrelevant whether the patent and application at issue were at one time commonly assigned, but are no longer co-owned at grant (as argued by *Hubbell*). It also holds that a double patenting rejection is correct if the patent and application share a common owner, common inventive entity (*i.e.*, all inventors) or even a single inventor. Assignees can potentially address the *Hubbell* conundrum by taking the following steps:

1. Clarify ownership of inventions by faculty members/scientists who change institutions. For the assignee, a hazard of institutional research is the possibility of a scientist moving his or her research to a new institution. The new research at the second entity could give rise to further inventions related to those assigned to the first entity. To minimize the risk of a situation under *Hubbell*, an institution could request that departing scientists and the new institution enter into an agreement with the first institution defining ownership of any follow-on inventions, *e.g.*, by full assignment of related inventions to the first entity, by entering into a joint assignment arrangement or by signing a joint research agreement prior to any work beginning at the second entity.

2. Keep inventorship current.

During prosecution, claims are canceled for a variety of reasons (restriction requirements, prosecution strategy), which often can change the inventorship of the application. Evaluating inventorship of the pending claims frequently during prosecution and removing those inventors no longer applicable to the claims under examination could minimize the chance of receiving a double patenting rejection that cannot be overcome by leaving the application with either:

- i. No common inventors
- ii. Only common inventors, with any related patent/application

3. Minimize prosecution delay to preserve the possibility of a two-way test for patentability:

Hubbell was precluded from arguing that a two-way test for obviousness should be applied because the applicant was partially responsible for the delay causing the first-filed broad genus claims to issue after the later-filed narrow claims. Avoiding unnecessary prosecution delays could negate any argument the patent office might have that the applicant contributed to the delay in issuing the species claims before the genus claims.

While the decision in *Hubbell* only seems to confirm what is set out in the MPEP, the court lays to rest any confusion that a terminal disclaimer can overcome a double patenting rejection in an application and patent not commonly owned and sharing some, but not all, common inventors. The result also alerts applicants to monitor inventorship and investigate use of JRAs where applicable.

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