Course Introduction, Expectations, and Themes

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Introductions

1. Preferred name
2. Preferred pronouns
3. Hometown (city, state, country)
4. Year/degree (e.g., 2L, 3L, LLM)
5. Patent law interest/experience
6. Career goals/plans

Please e-mail me your student information sheet if you haven’t already!

Learning During a Pandemic

• COVID-19 has affected all of us in one way or another
• I am committed to helping you learn
  • Ask for accommodations if needed!
  • I will be as lenient/flexible as I can be under the circumstances
• Never feel obligated to share any details of your health status with me
  • I will never require any doctor’s notes
• My (virtual) door is always open – you are welcome to discuss anything with me.
• I want you all to stay healthy, balanced, and grounded through this crisis.

Course Overview

• Updated syllabus will be available online
  • SUBJECT TO CHANGE! Always consult the online syllabus!
    • I will inform you in advance about major changes to the syllabus
    • All details will be posted on Canvas announcements as well


Course Expectations

Attendance and Engagement: 20%
Midterm Assignment: 30%
Presentation: 10%
Final Exam: 40%

Course Expectations

Readings and Videos:
—Readings from Merges & Duffy are always required
—Assignments should be completed before class
—Readings may be supplemented with videos, podcasts, and other content

Course Expectations

Attendance and Engagement:
This component of the evaluation is based on:
A. class attendance and punctuality (5%)
B. contribution to in-class discussion and policy debates (10%)
C. participation and demonstrated engagement with the subject matter as evidenced by participation during class, during office hours, on the Canvas discussion board, and at least twice weekly on Twitter (using the hashtag #PatentLaw [optional but encouraged]) (5%)
Course Expectations

Midterm Patent Drafting Assignment: (30%)
—“Invent” a solution to one of three problems and draft a patent
—Focus on the patent document (including, but not limited to, the abstract, background/prior art, claims, description, and drawings as needed)
—You will not be graded on the quality of your artwork, the real-world functionality of your invention, nor on whether your invention is likely to survive scrutiny by the U.S. Patent and Trademark Office
—You must draft this de novo and cannot copy an existing patent!
—Due date TBD, more information to come
—Over 10 million examples on USPTO and Google Patents!

Course Expectations

"Shark Tank" Presentation: (10%)
—You will each present your midterm "invention" to the class as if you were pitching it to the "sharks" on the ABC television show Shark Tank
—Presentation date TBD
—More information to come

Course Expectations

Final Exam:
—Take-home open book essay exam
—To be scheduled at your convenience during the exam period
—During finals week, you will access the exam on the day and time you choose
—Your written responses will be due within 24 hours

Notes:

• This is a US-based patent law course. We will, for the most part, not be discussing foreign patents or litigation
• No technical background is necessary to perform well in this class

What is a Patent?

• The grant of a property right
• Exclusive right to exploit invention
  • No working requirement, but requires disclosure (not a trade secret)
• Someone else could have a patent on which you built
  • They would have a cause of action for patent infringement
  • Example: Gillette Mach 3 and Schick Quattro razors
  • Gillette alleged that Schick built upon their technology (same blade length, spacing, etc.)
• Not a right to use, but a right to EXCLUDE
  • Example: gambling machine, but in a state where gambling is illegal (government restrictions restrict the right to use it)
Right to Exclude From What?

- Use
- Sale / Offering for Sale
- Importation
- Manufacture
- Sale/License Patent Rights to Others

Caveats:
- Mere possession doesn’t constitute infringement
- Resale not included

Patent Duration

- Patent exclusivity is limited to a certain window of time
- The Constitutional Convention did not identify an actual number of years
- Current: 20 years from the date of filing (default)
- Prior to 2011: 20 years from the date of invention (one size fits all)
- Why switch from date of invention to date of filing?
  - Incentive to patent first
  - Administrative efficiency

Standards for Patentability

- Fully and appropriately described (§112)
- In compliance with statutory bars (§102)
- Novel (§102)
- Nonobvious (§103)
- The work of the inventors (§116)
- Useful (§101)
- Within the appropriate subject matter (§101)

Three Types of Patents

2. Design Patent: covers ornamental design of useful objects

We will focus on Utility Patents in this course

Constitution, Article I, Section 8

“To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries;”
Constitutional Underpinnings of Patent Law

- This is the only place in the Constitution where the Founding Fathers used the word “Right”
- “The clause is both a grant of power and a limitation. This qualified authority, unlike the power often exercised in the sixteenth and seventeenth centuries by the English Crown, is limited to the promotion of advances in the ‘useful arts.’” (Graham, 1966)
- Congress may not “enlarge the patent monopoly without regard to the innovation, advancement or social benefit gained thereby.” (Graham, 1966)
- Delicate balance between the need to encourage innovation and the avoidance of exclusive rights that stifle competition without any benefit to society

What Economic Incentives do Patents Create?

- Incentives to Invent
  - Creates a process by which inventors can recoup R&D costs
- Incentives to Disclose
  - Quid pro quo: disclosure in exchange for a property right
- Incentives to Innovate/Commercialize
  - Creation of commercialized products, licensing of patents, 3rd party investment
- Incentives to Design-Around
  - The first product invented may not end up being the best
- Incentives to Invest in R&D

Why have Patent Law?

- Encourage inventions/innovation/research/publication
- Discourage secrecy of inventions
- Information wants to be free, and patent law protects against this
  - Difficult to recoup costs of development otherwise
  - Problems to solve in litigation, especially damages:
    - Unpredictability
    - Measurement (determining/apportioning value)
      - e.g., smartphone components (what is the % value of sliding the screen left or right?)
    - Existence of licensing arrangements (often held confidential)

Patents as a Public Good?

A public good has two key characteristics:
- Nonexcludable: it is costly or impossible for one user to exclude others from using a good (e.g., air, public goods)
- Nonrivalrous: when one person uses a good, it does not prevent others from using it (e.g., information or ideas)

- James Madison describes patents in terms of a bargain between the innovator and the government
- Shared knowledge is more valuable to society

“[i]f we did not have a patent system, it would be irresponsible, on the basis of our present knowledge of its economic consequences, to recommend instituting one. But since we have had a patent system for a long time, it would be irresponsible on the basis of our present knowledge, to recommend abolishing it.”

-- Economist Fritz Machlup, 1958
Why take a course in patent law?

Patents are critical to national industrial policy

From the industrial age…

… to the information age.
Patenting across the economy

- Research methods
- Pharmaceuticals & Medical Devices
- DNA
- Computer Hardware/Software
- Semiconductors
- Data Processing (e.g., finance)

Major US Patent Laws

The Patent Act of 1790
- Defined the subject matter of a U.S. patent as "any useful art, manufacture, engine, machine, or device, or any improvement there on not before known or used."
- Granted the applicant the "sole and exclusive right and liberty of making, constructing, using and vending to others to be used" of his invention
- Duration of patent decided individually, but not to exceed 14 years

The Patent Act of 1793
- Barred foreign inventors from receiving patents, granted patents to Americans who had pirated technology from other countries.

Major US Patent Laws

The Patent Act of 1836
- Created an official Patent Office and a Commissioner of Patents
- Previously, the Secretary of State was the one to grant patents
- Created extension of 7 years (which combined with previous limit of 14 increased maximum to 21 years)
- Replaced by 17-year patent term in 1861
- Patent 1 granted on July 13, 1836 (all previous patents given suffix “X”)
- 1890 depression and Great Depression created unfavorable views of patents, perceived to be protecting monopolies during strained economies
- In 1925, the Patent Office was transferred to the Department of Commerce, where it is today

Major US Patent Laws

The Patent Act of 1952
- Created the basic structure of modern patent law
- Required description of patent, basis for infringement
- Novelty, Utility, Non-obviousness
- Court of Appeals for the Federal Circuit (CAFC)
- Created in 1982, preferential review of patent appeals cases
- Many of our cases will come from the Federal Circuit

Major US Patent Laws

Leahy-Smith America Invents Act of 2011 (AIA)
- Change from “first to invent” to “first to file” system
  - US was the last country still using a “first-to-invent” system
- Changed patent term from 17 years after issue to 20 years after filing
  - Patent review/prosecution takes from 30-36 months
- Established processes for post-grant opposition

15 Minute Break