

Intellectual Property Rights Issues

**Chemical Science and Commercialization
Conference**

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Protection of Information

Types

- **Background:** information owned or controlled by a party to a project agreement that is either generated prior to the agreement or during, but not under, the agreement
- **Foreground:** information, including the results, generated during the performance of work under a project agreement

Reason for Protecting Information

Existing or potential intellectual property rights can be lost by disclosure of certain types of information to others without an obligation on their part to protect such information from further disclosure.

Categories of Information that Need Protection

- **Records of invention**
- **Patent applications**
- **Proprietary information**
 - Trade secrets
 - Know-how
- **Databases, software source code and other unpublished materials, even if copyrighted**

Mechanisms for Protecting Information

- **Employee confidentiality agreements**
- **ISTC nondisclosure agreements (NDAs) with institutes and ISTC Parties**
- **Nondisclosure agreements**
 - Information only provided to third party
 - Information only received from third party
 - Mutual exchange of information with third party (see model NDA handout)

Important NDA Provisions

- **Effective date**
- **Identity of parties – legal entities**
- **Description of business-confidential information**
- **Purpose of exchange**
- **Requirement to mark documentary information**
- **Treatment of oral disclosures**
- **Term of nondisclosure agreement**
- **Term of secrecy and non-use obligations**

Protection of Intellectual Property Resulting from Chem-Bio Work

- Inventions most likely result of research and development work under projects
- Patents are legal means for protecting inventions and should normally be obtained
 - Do not try to keep as trade secret
 - Do not publish or disclose prior to filing patent application
 - Try to obtain broadest protection possible, both in terms of territories (recommend filing under Patent Cooperation Treaty (PCT)) and patent claim coverage

Trade Secret v. Patent

- **Keep invention as trade secret or obtain a patent?**
 - **Trade Secret**
 - Advantage is unlimited term as long as protected
 - Disadvantage is risk of loss of trade secret
 - Ascertaining trade secret from product (reverse engineering)
 - Accidental disclosure
 - Independent discovery
 - Hinders scientific advancement – denies scientific community access to information

Trade secret v. Patent.....

- **Patent**

- **Advantages**

- **Guaranteed term of exclusivity**
 - **Independent discovery not a defense to patent infringement**
 - **Advances science by making invention public**

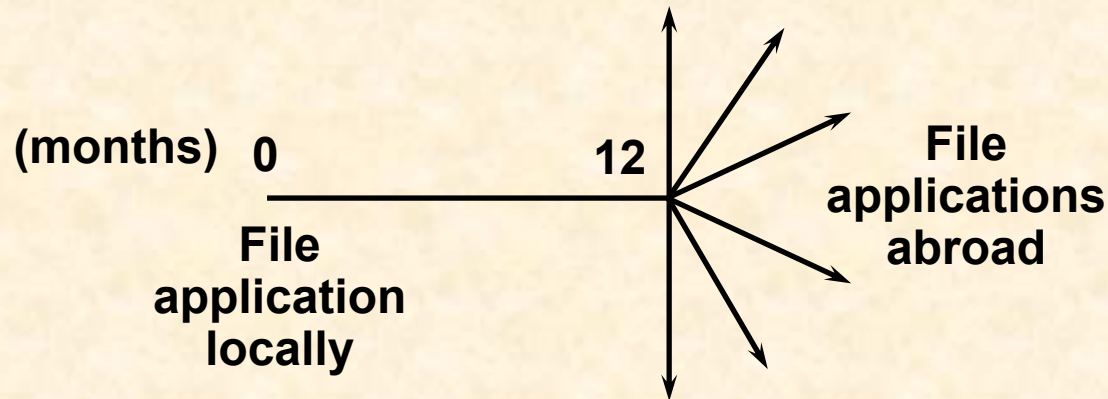
- **Disadvantages**

- **Exclusivity limited to patent term, usually 20 years**

Advantages of the PCT

- To file in up to 123 countries with a single international application
- To delay the expenses associated with
 - translations
 - foreign filing fees
 - local associates
- To provide an early indication of pertinent prior art
- To give extra time for assessment of commercial viability in designated States

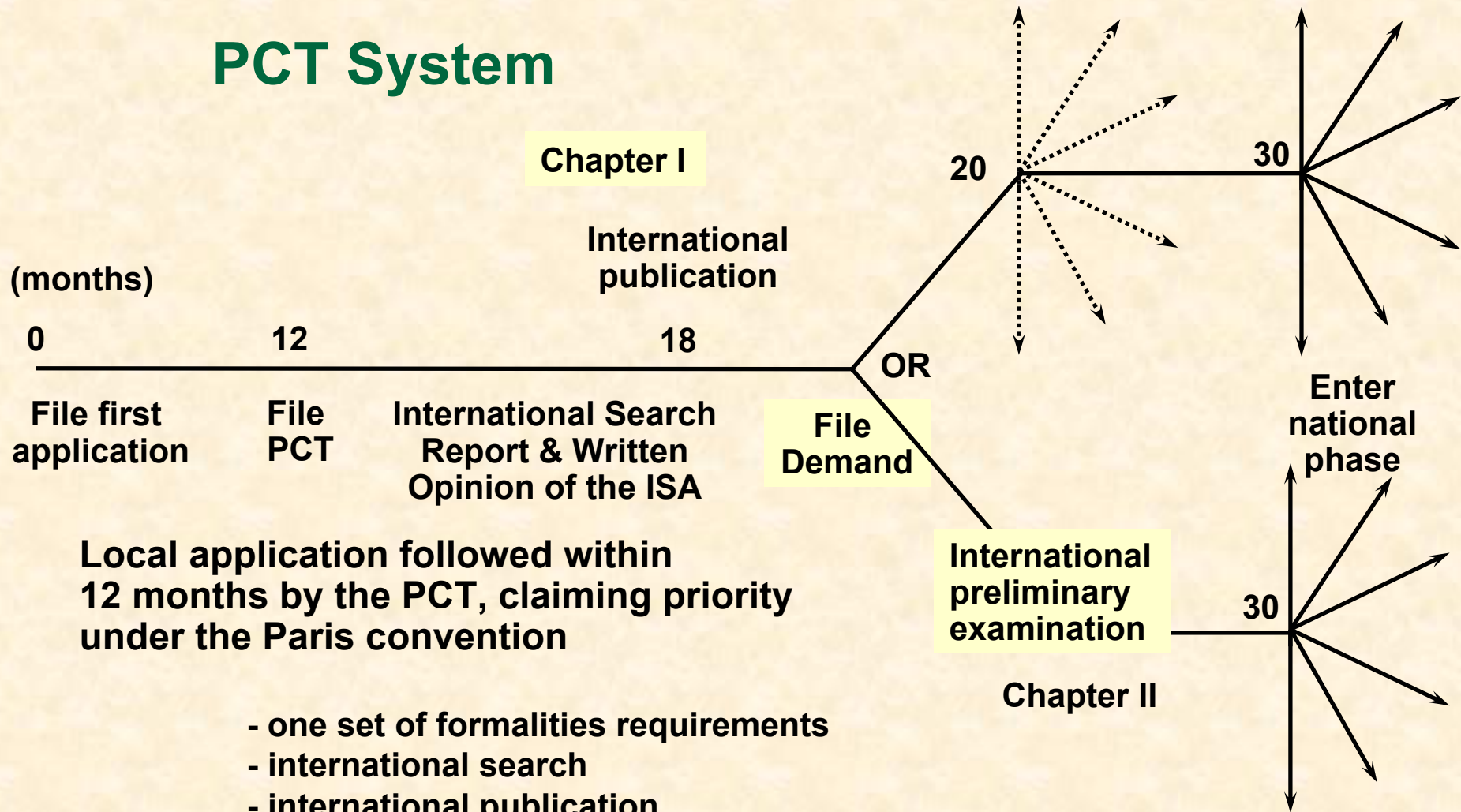
Traditional Patent Systems



Local patent application followed within 12 months by multiple foreign applications claiming priority under Paris Convention:

- multiple formality requirements
- multiple searches
- multiple publications
- multiple examinations and prosecutions of applications
- translations and national fees required at 12 months

PCT System



Local application followed within 12 months by the PCT, claiming priority under the Paris convention

- one set of formalities requirements
- international search
- international publication
- optional international preliminary examination
- translations and national fees required at 20 or 30 months, and only if applicant wants to proceed with national phase entry