35 U.S.C. 103(c)

as Amended by the Cooperative Research and Technology Enhancement (CREATE) Act (Public Law 108-453) Enacted December 10, 2004 and as implemented by a final rule entitled “Changes to Implement the Cooperative Research and Technology Enhancement Act of 2004,” 70 FR 54259 (September 14, 2005)
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453)

- CREATE Act revised 35 U.S.C. 103(c) as follows:
  - Former 35 U.S.C. 103(c) was redesignated as 35 U.S.C. 103(c)(1) (no substantial change to the text)
  - New subsections 35 U.S.C. 103(c)(2) and (3) were established

- Effective Date: December 10, 2004
- Applies to any patent granted on or after December 10, 2004
  - See slide 8 for more information regarding the effective date
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453)

- CREATE Act allows certain multiple owners of patent applications or patents to be treated as a common owner for the purposes of 35 U.S.C. 103(c)’s exclusion of prior art only under 35 U.S.C. 102(e), (f) or (g) in a rejection under 35 USC 103(a).

- Avoids the need to form joint ventures to perform related research in order to obtain benefit under the prior version of 35 U.S.C. 103(c).

- The USPTO has published a final rule entitled “Changes to Implement the Cooperative Research and Technology Enhancement Act of 2004,” 70 FR 54259 (September 14, 2005)

  - Effective upon publication and applies to any patent granted on or after December 10, 2004
In order to be treated as common owners under the CREATE Act, the following are required:

- The claimed invention was made by or on behalf of parties to a joint research agreement that was in effect on or before the date the claimed invention was made;

- The claimed invention was made as a result of activities undertaken within the scope of the agreement; and

- The application for patent for the claimed invention discloses, or is amended to disclose, the names of the parties to the agreement.
35 U.S.C. 103(c)(1):
Subject matter developed by another person, which qualifies as prior art only under one or more of subsections (e), (f), and (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the claimed invention was made, owned by the same person or subject to an obligation of assignment to the same person.

(formerly 35 U.S.C. 103(c) with minor changes)
35 U.S.C. 103(c)(2) (NEW) as Amended by the CREATE Act (P.L. 108-453)

35 U.S.C. 103(c)(2):

For purposes of this subsection, subject matter developed by another person 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–

(A) the claimed invention was made by or on behalf of parties to a joint research agreement that was in effect on or before the date the claimed invention was made;

(B) the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement; and

(C) the application for patent for the claimed invention discloses or is amended to disclose the names of the parties to the joint research agreement. (emphasis added)
35 U.S.C. 103(c)(3) (NEW)
as Amended by the CREATE Act
(P.L. 108-453)

35 U.S.C. 103(c)(3):
For purposes of paragraph (2), the term "joint research agreement" means a written contract, grant, or cooperative agreement entered into by two or more persons or entities for the performance of experimental, developmental, or research work in the field of the claimed invention. (Emphasis added.)
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453)

Effective Date Information (see also slide 2):

- The revised 35 U.S.C. 103(c) applies to any reissue patent granted on or after its date of enactment.
  - The recapture doctrine may prevent the presentation of claims in reissue applications that were amended or cancelled (e.g., to avoid a rejection under 35 U.S.C. 103(a) based upon subject matter that may now be disqualified under the CREATE Act) from the application which resulted in the patent being reissued.

- The 1999 change of “subsection (f) or (g)” to “one or more of subsections (e), (f), or (g)” in 35 U.S.C. 103(c) is now also applicable to applications filed prior to November 29, 1999 that were pending on December 10, 2004.
  - The CREATE Act also includes the amendment to 35 U.S.C. 103(c) made by § 4807 of the American Inventors Protection Act of 1999 (see Pub. L. 106-113, 113 Stat. 1501, 1501A-591 (1999)), which only applied to applications filed on or after November 29, 1999.
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453)

- Applicant may overcome a rejection under 35 U.S.C. 103(a) based upon subject matter (i.e., a patent document, publication, or other evidence) which only qualifies as prior art under 35 U.S.C. 102(e), (f) or (g) by invoking 35 U.S.C. 103(c) as amended by the CREATE Act.

- Applicant cannot rely on the provisions of 35 U.S.C. 103(c) to overcome the following rejections:
  - Obviousness double patenting rejections; and
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453) and as implemented by final rule (70 FR 54259)

- To overcome a rejection by invoking the joint research agreement provisions of 35 U.S.C. 103(c), applicant must:
  1. Provide a statement signed by a 37 CFR 1.33(b) party; and
  2. Amend the specification* to disclose the names of the parties to the joint research agreement (see 37 CFR 1.71(g) and 1.77(b)(4));

The final rule deleted the requirement to amend the specification to state either:
A. The date that the joint research agreement was executed and a concise statement of the field of the claimed invention; or
B. Where (i.e., by reel and frame number) this information is recorded in the Office’s assignment records

*Unless the specification discloses the required information.
The statement must provide that:
- The claimed invention and the disqualified subject matter were made by or on the behalf of parties to a joint research agreement as defined by 35 U.S.C. 103(c);
- The joint research agreement was in effect on or before the date the claimed invention was made; and
- The claimed invention was made as a result of activities undertaken within the scope of the joint research agreement.

(37 CFR 1.104(c)(4)(i))

The statement should be provided on a separate sheet which must not be directed to any other matters (37 CFR 1.4(c)).
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453) and as implemented by final rule (70 FR 54259)

- If the applicant disqualifies the subject matter used in a rejection under 35 U.S.C. 103(a) in accordance with 35 U.S.C. 103(c) as amended by the CREATE Act and the final rule,
- During examination, the application and the prior art will be treated as if they are commonly owned for purposes of 35 U.S.C. 103(c)(1).
- See 37 CFR 1.104(c)(4)
A subsequent new double patenting rejection based upon the disqualified prior art may apply. See the double patenting guidelines in the final rule.

Applicant may file a terminal disclaimer under 37 CFR 1.321(d) to overcome the double patenting rejection.

- Note: the disclaimer requires common enforcement of the involved patents in addition to a common term requirement.
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453) and as implemented by final rule (70 FR 54259)

- Requirements for a terminal disclaimer under 37 CFR 1.321(d):
  - The owners of the rejected application must:
    - Waive the right to separately enforce the patents. See 37 CFR 1.321(d)(3).
    - Agree that the patents shall be enforceable only during the period that the patents are not separately enforced. See 37 CFR 1.321(d)(3).
    - Agree that such waiver is binding upon the owner, its successors, or assigns. See 37 CFR 1.321(b)

The final rule eliminates any requirement in regard to the common licensing of the invention and the disqualified subject matter.
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453) and as implemented by final rule (70 FR 54259)

- Requirements for a terminal disclaimer under 37 CFR 1.321(d) (cont’d):
  - Signed by applicant in accordance with 37 CFR 1.321(b)(1) or patentee in accordance with 37 CFR 1.321(a)(1), as applicable.

The final rule eliminates the requirement for the owner of disqualified subject matter to sign the terminal disclaimer.
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453) and as implemented by final rule (70 FR 54259)

Example:

- Company A and University B have a joint research agreement (JRA) in place prior to invention X’.
- Professor BB from University B communicates invention X to Company A. University B files a patent application on invention X on March 16, 2004.
- Company A files an application disclosing and claiming invention X’, an obvious variant of invention X, on December 13, 2004.
- University B retains ownership of invention X and Company A retains ownership of invention X’.
- Company A files an information disclosure statement citing the University B’s patent application publication of invention X.
Example (cont’d):

- Examiner makes a rejection of the claims of invention X’ under 35 USC 103(a) as being obvious in view of the application publication of invention X.
- Company A properly invokes the prior art disqualification under 35 U.S.C. 103(c) as amended by the CREATE Act.
- Examiner makes an obvious double patenting rejection of the claims of invention X’ in view of the claims of invention X.
  - The Office action can be made final (provided that no other new ground of rejection that was not necessitated by amendment is introduced) regardless of whether the claims themselves have been amended.
- Company A files a proper terminal disclaimer under 37 CFR 1.321(d) to overcome the double patenting rejection.
  - Note: There is a common enforcement of the patents requirement in addition to a common term requirement.
- Examiner may allow the application of invention X’, assuming no other issues need to be resolved in the application.
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453) and as implemented by final rule (70 FR 54259)

Brief Summary of Changes made by the final rule:

- **Section 1.71**: Section 1.71 is amended to further revise § 1.71(g). Section 1.71(g) specifically provides that the specification may provide the names of the parties to the JRA in order to meet that statutory requirement when invoking the “safe harbor” provision of 35 U.S.C. 103(c). The requirements for the execution date and a brief summary of the claimed invention, or the reel and frame number of the recorded JRA, were removed.

- **Section 1.77**: Section 1.77 provides for the names of the parties to a joint research agreement in the preferred arrangement of the specification.

- **Section 1.104**: Section 1.104(c)(4) is amended for consistency with the amendment to 35 U.S.C. 103(c) and to include the requirements for a statement to invoke the “safe harbor” provision of 35 U.S.C. 103(c).

- **Section 1.109**: Section 1.109 is deleted in the final rule. Guidelines are set forth in the final rule for double patenting situations which may arise as a result of the CREATE Act. The Manual of Patent Examining Procedure (MPEP), § 804, sets forth the conditions under which the Office will otherwise make a double patenting rejection.
35 U.S.C. 103(c) as Amended by the CREATE Act (P.L. 108-453) and as implemented by final rule (70 FR 54259)

Brief Summary of Changes made by the final rule (cont’d):

- **Section 1.130**: Section 1.130(b) is reserved.
- **Section 1.321**: Section 1.321(d) is further amended to provide the terminal disclaimer requirements for the double patenting situations which arise as a result of the CREATE Act.
  - The final rule eliminated the following requirements: (1) that the owner of the disqualified patent or application must sign the terminal disclaimer; and (2) that there is a restriction on separately licensing the application or patent and the disqualified patent or application.
- **Section 3.11**: Section 3.11(c) is further amended to provide that the Office will record a joint research agreement or an excerpt of a joint research agreement as provided in 37 CFR part 3 and to be consistent with 37 CFR 1.71(g) as amended in the final rule.
- **Section 3.31**: Section 3.31(g) sets forth the requirements for the cover sheet required by § 3.28 seeking to record a joint research agreement or an excerpt of a joint research agreement as provided by § 3.11(c).
Additional Information

For more information, please contact the Office of Patent Legal Administration at (571) 272-7704 or e-mail to Patent Practice@USPTO.gov, or:

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Thank you