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Conception of an Invention Requires Possession of Operative Method, Court Says

By Tony Dutra 2013-04-01T00:00:00000-04:00

A purported inventor cannot claim conception until she made her idea operative, the U.S. Court of Appeals for the Federal Circuit ruled March 25 ([Dawson v. Dawson](#) , Fed. Cir., 12-1214, 3/25/13).

The case featured a battle between assignees of invention rights, the University of California at San Francisco and pharmaceutical manufacturer InSite Vision Inc. In a 2-1 decision, the court affirmed an interference decision of the Board of Patent Appeals and Interferences that a university employee lacked a patentable conception of an eye medication before leaving to join the firm.

A dissenting opinion argued that conception only needs “a particular solution to the problem at hand.” A practitioner criticized the dissent for a view that would cause “mischief” in the first-inventor-to-file system created by the America Invents Act.

Interference Action Initiated.

Chandler R. Dawson began work in the mid-1990s on a topical application of an antibiotic called azithromycin to control trachoma. He held a position at UCSF at the time and was under an obligation to assign his rights in inventions to the Regents of the University of California.

Dawson engaged Kenneth C. Chern to contact Lyle M. Bowman at InSite “to enlist his assistance in the preparation of a suitable ophthalmic medication with azithromycin that could be applied topically to the eye.” InSite manufactured Durasite, a potential delivery vehicle.

Dawson joined Bowman at InSite and the two filed for and received patents (U.S. Patent Nos. 6,239, 113 and 6,569,443) on a “Topical Treatment or Prevention of Ocular Infection,” which were issued in 2001 and 2003.

Four years after the second patent issued, UCSF filed an application (11/801,345) naming Dawson

alone as inventor. The application was written so as to provoke an interference, and the Patent and Trademark Office declared two (Interference Nos. 105,719 and 105,729).

The Board of Patent Appeals and Interferences concluded that UCSF had failed to prove that Dawson had solely conceived of or reduced the invention to practice prior to Bowman's involvement. UCSF did not offer testimony from Dawson during the proceeding. UCSF appealed.

Century Plus Definition of Conception.

"The definition of conception in patent law has remained essentially unchanged for more than a century," Judge William C. Bryson said.

The time period reference was to 1 *Robinson on Patents* 532 (1890), which was quoted by the Federal Circuit in *Hybritech Inc. v. Monoclonal Antibodies Inc.*, 802 F.2d 1367, 1376, 231 U.S.P.Q. 81 (Fed. Cir. 1986): It is the "formation in the mind of the inventor, of a definite and permanent idea of the complete and operative invention, as it is hereafter to be applied in practice."

Burroughs Wellcome Co. v. Barr Laboratories Inc., 40 F.3d 1223, 1228, 32 U.S.P.Q.2d 1915 (Fed. Cir. 1994), updated that standard, the court said (internal citations omitted): Conception is complete only when the idea is so clearly defined in the inventor's mind that only ordinary skill would be necessary to reduce the invention to practice, without extensive research or experimentation. An idea is definite and permanent when the inventor has a specific, settled idea, a particular solution to the problem at hand, not just a general goal or research plan he hopes to pursue. Because it is a mental act, courts require corroborating evidence of a contemporaneous disclosure that would enable one skilled in the art to make the invention.

No Conception While Dawson at UCSF.

With those principles, the court affirmed the board's judgment.

UCSF relied on a presentation and supporting report Dawson made in 1997 at a World Health Organization meeting. The majority, however, characterized those documents as, at best, "a general idea, acknowledg[ing] many of the difficulties associated with making that idea operative, and

offer[ing] some thoughts on how one might proceed.”

The report had used terms such as “preliminary,” “possibility,” and “potential use,” which fell short of the Hybritech standard, the court said.

A second issue involved an experiment conducted by Chern in 1997. He applied azithromycin to his own eye to determine if it could be safely tolerated, and it was, but he did not have eye disease.

The majority said, “Dr. Chern’s use of the ointment, with no verified ties to Dr. Dawson, was mere experimentation, not proof that the idea of the invention was so clearly defined in Dr. Dawson’s mind ‘that only ordinary skill would be necessary to reduce the invention to practice,’” quoting from Burroughs Wellcome.

Finally, UCSF argued that it did not have to show Dawson had reduced the invention to practice to prove conception.

The court said that mischaracterized the requirement. Rather, it said, “part of the conception inquiry asks whether the inventor ‘possess[ed] an operative method of making [the invention],’” quoting *Invitrogen Corp. v. Clontech Laboratories Inc.*, 429 F.3d 1052, 1063, 77 U.S.P.Q.2d 1161 (Fed. Cir. 2005).

“[T]here is a critical difference between conceiving a way to make an idea operative and knowing that a completed invention will work for its intended purpose,” the court concluded.

Judge Evan J. Wallach joined the opinion.

Reyna Sees Conception Earlier.

“Inventorship is perhaps the most fundamental question in patent law,” Judge Jimmie V. Reyna said in dissent. “The instant an inventor conceives her invention is the moment in which vests her right to a patent, thus perfecting her constitutional right to exclude.”

The dissenting opinion repeated almost the same text from Hybritech and Burroughs Wellcome that the majority cited, omitting “not just a general goal or research plan he hopes to pursue” from the

latter. He also cited to cases decided beginning in 1871, and when he quoted an 1897 case that used the same *Robinson on Patents* text that Hybritech used, Reyna left off the phrase “as it is hereafter to be applied in practice.”

“[Conception] does not require reduction to practice,” the dissent said. And it asserted that the reduction to practice in the instant case “was the work of the mechanic[, which] ... Dr. Dawson was not required to do.”

The dissent reviewed the interference count and concluded that the WHO presentation and report included all the required elements.

Expert: Dissent Raises Mischief With AIA.

“With all due respect, Judge Reyna’s assertions are nutty,” according to interferences expert Charles L. Gholz of Oblon, Spivak, McClelland, Maier & Neustadt, Alexandria, Va., referring to the dissent’s opening statement on inventorship.

“The argument that the Constitution requires that patents be given only to first inventors ‘is the least impressive of all the arguments lodged against the switch to a first-to-file system,’” he told BNA, quoting from Donald R. Dunner, “First to File: Should Our Interference System Be Abolished?,” 68 JPTOS 561, 565-66 (1986).

“By resurrecting that thoroughly discredited argument, Judge Reyna may be inducing untold mischief in future cases attacking the AIA’s switch to a first-inventor-to-file system,” Gholz said.

Steven B. Kelber of Berenato & White, Bethesda, Md., represented UCSF. Joel M. Freed of McDermott Will & Emery, Washington, D.C., represented InSite.