ZBM Patents

Peter Markvardsen

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Biotech companies

- Generally have an “idea” and money to investigate it.
- Value of company is heavily related to value of patent portfolio.
- Many times, at patent filing date they have not made the actual laboratory work to demonstrate that idea works.
- Normally, have excellent scientists that can write detailed experimental protocols to explain how to make the idea/invention.
- Overall Patent strategy should generally be **aggressive** and with **low initial costs**.

An ”Investor” Opinion

- **Christian Hansen**, PhD, MBA, Partner and co-founder of Nordic Biotech (a venture capital company). In 1999 he was a co-founder of Danish biotech company Profound Pharma. Profound was later sold to Maxygen (USA) for more than DKK 500 million (around 70 million Euro).

- His article in Medicon Valley Patent guide (2003) reads:

“..my basic philosophy concerning patents:.. shoot first and ask questions later – file now and reduce to practice later…

Not being an educated patent attorney allows me to simplify the matter a bit…patent law has no requirement for an invention to have been physically reduced to practice, i.e. actually made in the laboratory but only that the patent application enables “the skilled man” to do so.”

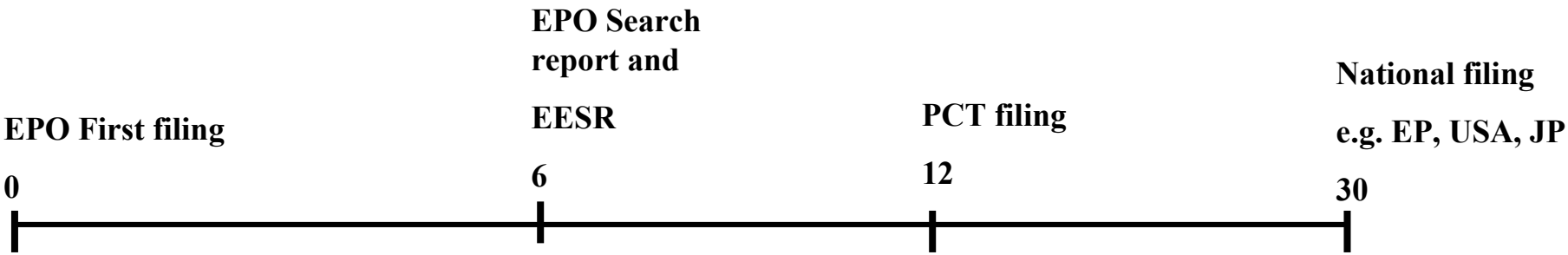
Legal Basis

- **T984/00**: (Ti-plasmid vectors/MAX-PLANCK-GESELLSCHAFT). Date of decision 18 June 2002.

- Point 14 of reasons reads: ” The application does not describe a single example of the whole invention put into practice, but it does give precise instructions on what to do to cut down the T-region. During the examination procedure the appellant [patentee] filed evidence that the method has subsequently been successfully put into practice.

- Essentially confirms earlier case law such as T292/85.

Filing strategy



Patentability opinion, drafting of patent, etc. : 3500-8000

1969

1205

EPO Filing,

search fee: 815

Attorney

representation fee: 1082

Attorney's charge ***Official fee***

EESR

- Extended European Search Report (EESR). OJ03, p206. Essentially corresponding to an EPO 1. communication.
- If positive it is an excellent ”selling” document.
- It clearly indicates what EPO could grant, i.e. represent a valuable potential right to be e.g. licensed.
- A Biotech company normally does not sell products as such. Accordingly, as a licensable right it may be seen as valuable as an actual granted patent.
- If too negative. Many possible options. (1) claim amendments, (2) considering ”hiding” the EESR, etc..
- If EP first filing abandoned and PCT application simply claims EP filing as priority the EESR will not be public available.

Granted patents

- In Europe expensive to get patent granted due to translation costs that may be around 2000-5000 Euro for each language.

- London agreement: Only claims to be translated. Signed by: UK, DE, FR, NL, BE, DK, SE, FI, AT. Ratified in parliament: DK, DE (recently presented)...

- Future will show, but normally recommended to delay grant and hope for important future translation savings.

- In USA generally an advantage to get patent granted. No translation expenses and ”sell” better when granted.

Spain - EESR

- Only if text in English that one can get EPO EESR
- Spanish patent law requires first filing in Spanish so the Spanish authorities can ”investigate” it.
- Personal opinion. If we have the patent application text in English I would normally recommend EPO direct filing to get the EESR.
- Article 138 EPC does not include the Spanish ”investigation” as a ground of revocation for a granted EP patent validated in e.g. Spain.

Biotech: Barcelona – Denmark

- Personal experience, among others based on 3 biotech companies in Denmark and 2 in Barcelona area. For these companies we essentially act as in-house patent attorneys with full responsibility for patent related matter.

- Denmark: Biotech environment essentially started in the beginning of 1999. During the first years there were some economically successes: Profound Pharma sold to Mayxygen (USA), Genmap successfully introduced on the Stock Exchange, etc.

- Accordingly, an investor environment has been established, where there are investor companies with ”high risk” money to invest in Biotech.

- A ”typical” Danish biotech company may have 10-30 people and money to investigate for 2-3 years.

- For university ”Spin-off” companies, it can be quite complicated to negotiate with e.g. Danish Universities. They have relative recently created in-house ”patent departments” that shall handle University interests and ensure that University patents are not ”stolen” in any way.

Biotech: Barcelona – Denmark (2)

- Barcelona area: Compared to Denmark, investor environment seems to be less established and it is more difficult to find professional private investor companies with high risk money.

- Therefore many biotech companies are relatively smaller and has less money for making investigation.

- A number of ”spin-off” biotech companies are working in close contact/collaboration with public institutions, e.g. Universities.

- Compared to Denmark, it seems as public institutions, e.g. Universities are more flexible and “help” Spin-off companies in a more favorable way. E.g. by favorable patent licensing contracts, a “flexible” interpretation of use of laboratory facilities etc.