

# Preface

*This new edition is current through August 2015.*

Changes in the legal environment continue to challenge intellectual property license agreements. This Eighth Edition of *Drafting Patent License Agreements* addresses the effect of the Supreme Court's expanded interest in intellectual property. The Court's decision in *Kirtsaeng v. John Wiley & Sons*, although principally focused on application of the copyright statute, relies on the Common Law prohibition of restraints on alienation to justify international exhaustion. In new Chapter 8, we discuss how the Federal Circuit, in *Helferich*, adopted *Kirtsaeng's* Common Law rationale as the foundation of patent exhaustion while refining where exhaustion does not arise. In Chapters 27 and 35, we discuss the Supreme Court's decision in *Kimble v. Marvel*, which revived post-expiration royalties as a *per se* patent misuse and in the process reinvigorated the *Lear v. Adkins* policy encouraging licensees to challenge validity of licensed patents. Chapter 35 also discusses the Supreme Court's decision in *Actavis*, which applied the antitrust rule of reason to reverse settlements but left open what constitutes a reverse settlement. The Supreme Court's decision in *Petrella v. Metro-Goldwyn-Mayer*, in a copyright context, modified application of laches; the Federal Circuit currently has pending an *en banc* decision applying that precedent to implied licenses.

In addition to incorporating new material addressing Supreme Court decisions, we have added in the Eighth Edition a new chapter on RAND determinations in light of the several decisions surrounding the *Microsoft v. Motorola* dispute. Finally, we have added new Chapter 6 reviewing application of the Uniform Commercial Code to intellectual property licenses, a topic relegated to footnotes in previous editions but not previously addressed in detail.

The extensive appendices to the Eighth Edition, for the first time, will be available on the web for easy access. Readers can download the forms and sample agreements from <http://books.bna.com/dplextra>. Login information for purchasers is available at "How to access your online materials" at the end of the book. The form paragraphs are indexed to the text that provides the rationale and legal

support concerning whether a particular form paragraph is appropriate to accomplish the drafter's specific goals.

The Eighth Edition reflects our experience in counseling clients and in teaching law school and continuing legal education courses on licensing. The changes to the forms and samples provided reflect legal developments encountered since the last edition. As with all legal documents, the form and content of license agreements reflect the legal concepts involved in transfer of rights to patents and know-how. Thus, the Eighth Edition addresses the fundamental legal concepts before beginning a clause-by-clause discussion of negotiating and drafting techniques.

Finally, the authors know that this edition would not exist but for Brian Brunsvold. He joined Harry Mayers as co-authors of the Second Edition in 1984 and has remained a co-author of each edition thereafter. After nearly 30 years of periodic revisions, Brian decided to pass the baton. We have benefitted from Brian's guidance, and we hope we have followed that guidance in this edition. Thank you, Brian.

We hope you will find this Eighth Edition to be a useful addition to your library.

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November 2015