

One Year After *MedImmune*—The Impact On Patent Licensing & Negotiation

Ronald A. Bleeker and Michael V. O'Shaughnessy*

As we write, it has been exactly one year since the Supreme Court's decision in *MedImmune, Inc. v. Genentech, Inc.*¹ At the time, observers predicted that this decision would "open the floodgates" to increased filings of declaratory judgment actions in patent cases.²

Have those predictions been fulfilled? Because it has been a year since *MedImmune* was decided, we now have the benefit of a number of Federal Circuit and district court decisions that have addressed the ramifications of *MedImmune*. What have we learned from these cases about declaratory judgment jurisdiction in patent cases? Do they tell us anything about whether *MedImmune* resolved broader questions as to the *Lear* doctrine? Has *MedImmune* changed the behavior of those who license and litigate patents? Has it had an impact on the drafting of patent license agreements?

This article therefore has several purposes: (1) to review the two bodies of law (licensee estoppel and declaratory judgment jurisdiction) that intersect in *MedImmune*; (2) to review *MedImmune* itself and the subsequent Federal Circuit and district court cases interpreting it; (3) to consider what *MedImmune* and its progeny did and did not say about the *Lear* doctrine; and (4) to

* Both of the authors are attorneys in the Washington office of Finnegan, Henderson, Farabow, Garrett & Dunner L.L.P. The views expressed in this article are solely those of the authors, and are not those of their firm or any of its clients.

¹ 127 S. Ct. 764 (2007).

² A sampling of just some articles from IP LAW 360 in early 2007 shows how this decision was perceived by many patent counsel. *Dealing With MedImmune*, IP LAW 360, Mar. 14, 2007, <http://ip.law360.com/Secure/ViewArticle.aspx?id=20434> ("Many observers believe that this decision will fundamentally alter the negotiating positions of prospective licensors and licensees"); "MedImmune" *Ushers In New Era Of Patent Litigation*, IP LAW 360, Jan. 12, 2007, <http://ip.law360.com/Secure/ViewArticle.aspx?id=16412> ("[*MedImmune*] promises a significant amount of additional litigation"); *New "Hair Trigger" Can Turn Negotiations Into Litigation*, IP LAW 360, Apr. 4, 2007, <http://ip.law360.com/Secure/ViewArticle.aspx?id=> ("[The decision] has already had an immediate and dramatic impact"); *Supreme Court Decision Gives Licensees Leverage*, IP LAW 360, Mar. 1, 2007, <http://ip.law360.com/Secure/ViewArticle.aspx?id=19634> ("[*MedImmune*] revolutionized a patent licensee's ability to challenge the scope and, perhaps, validity of licensed patents").

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