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Federal Circuit Rules that Patent Dispute Between Two State Universities Is Not a Suit Between States Within the Supreme Court's Original Jurisdiction

In the recent case of *University of Utah v. Max-Planck-Gesellschaft*, the U.S. Court of Appeals for the Federal Circuit held that a dispute over inventorship between to state universities is not a "conflict between states" subject to the Supreme Court's exclusive original jurisdiction over such conflicts.

In Max-Planck, the University of Utah is the assignee of one of its biochemistry professor's rights to any patents arising from the professor's gene silencing research. Likewise, the University of Massachusetts is the assignee of one of its researcher's patent rights arising from gene silencing research similar to the University of Utah professor's research. After the University of Massachusetts researcher applied for, and obtained, some patents arising from this research as the inventor, the University of Utah, as assignee of its professor's patent rights, asked the University of Massachusetts to add the University of Utah professor as an inventor on the obtained patents. When the University of Massachusetts refused to recognize the University of Utah professor as a co-inventor, the University of Utah filed suit against several University of Massachusetts officials, but not the university itself, in Massachusetts federal district court, requesting the court to order the U.S. Patent and Trademark Office to add the professor as an inventor under 35 U.S.C. § 256. The University of Massachusetts officials moved to dismiss the case, arguing that the Supreme Court has original and exclusive jurisdiction over the suit because the case is actually a dispute between the State of Utah and the State of Massachusetts, given that a state university is an "arm of the State."

The Federal Circuit agreed with the district court that the case is not a conflict between two states. The Court reasoned that, although the University of Massachusetts has an interest in the patents at issue, correction of inventorship is not a "core sovereign interest" sufficient to make the suit a conflict between states, unlike state ownership of water rights, natural resources, and other property issues that "implicate serious . . . concerns of federalism." The Court also rejected arguments that the University of Utah should have joined the University of Massachusetts, rather than simply suing the University of Massachusetts officials. The Court ruled that the University of Massachusetts is not currently an "indispensable party" because the officials adequately represented the interests of the University of Massachusetts, the two groups are jointly represented, and the University of Massachusetts handed control over the suit to a company that is a party to the suit.

The opinion can be found here.

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