

DECLARATION OF STANLEY LIANG, PH.D., J.D.

I, Stanley Liang, Ph.D., J.D., declare:

1. I am a U.S. attorney. I am a law partner at Resek, Liang & Frank LLP in New York City. I have been a patent agent from 1998 to 2002 and an attorney in good standing in the State of New York from 2002 to the present. Patent law is my main practice area. I have been a registered patent agent or a registered attorney since 1998. A copy of my resume is attached as Exhibit 1.

2. I submit this Declaration to establish that, according to U.S. law, Regeneron Pharmaceuticals, Inc. (“Regeneron”) is the owner of the right to claim priority from the three U.S. Provisional Patent Applications referenced in PCT/US2012/026426 (the International application, which is also the European application at issue), and of any inventions disclosed therein, from the time the inventions were made and the three provisional applications filed. Thus, Regeneron owned these three priority applications and the right to claim priority therefrom at the time the European application was filed. The three provisional applications are U.S. Provisional Patent Application No. 61/446,895, filed February 25, 2011, naming Lynn Macdonald and Andrew Murphy as inventors (“PRO1”); U.S. Provisional Patent Application No. 64/497,650, filed on June 16, 2011, naming Lynn Macdonald and Andrew Murphy as inventors (“PRO2”); and U.S. Provisional Patent Application No. 61/595,200, filed on February 6, 2012, naming Lynn Macdonald, Andrew Murphy and Sean Stevens as inventors (“PRO3”).

3. I understand that, at the time the inventions were made, each of the above-named inventors was an employee of Regeneron and each of them had entered into an Employment Agreement with Regeneron prior to the dates the inventions were made. I also

understand that all of the inventions disclosed in the priority applications (PRO1, PRO2, and PRO3) were made by the above-named inventors as part of their jobs at Regeneron and during the term of their employment pursuant to their Employment Agreements with Regeneron.

4. I have reviewed the Employment Agreements. Redacted versions of the Employment Agreements of the three inventors are attached hereto as Exhibits 2-4. Other than the particulars regarding each person, the Employment Agreements are the same.

5. Each Employment Agreement includes the following provisions:

a. A preamble that defines Regeneron Pharmaceuticals, Inc. as “Company” and defines the relevant inventor as “Employee”;

b. A section that defines “Inventions,” by stating: “Employee will promptly disclose to the Company (or any persons designated by it) all discoveries, developments, designs, improvements, inventions, formulae, processes, techniques, computer software, strategy, know how, and data, whether or not patentable or registrable under copyright or similar statutes, made or conceived or reduced to practice or learned by Employee, either alone or jointly with others, during the term of employment by the Company, which result from tasks assigned by the Company, or result from the use of premises or property owned, leased, or contracted for by the Company (all such discoveries, developments, designs, improvements, inventions, formulae, processes, techniques, computer software, know-how and data are herein after referred to as “Inventions”)” and

c. A section that assigns any rights an Employee has in Inventions to Company, which section reads, “Ownership of Inventions. All Inventions shall be the sole property of the Company and its assigns, and the Company and its assigns shall be the sole owner of all patents, copyrights, trademarks, and other rights in connection therewith. Employee hereby assigns to the Company any rights Employee may have or acquire in such Inventions”.

6. According to U.S. law, Regeneron has legal title to the three provisional applications (PRO1, PRO2, and PRO3) once the inventions were made and the corresponding provisional application(s) filed. *Filmtec v. Allied Signal, Inc.* 939 F.2d 1568, 1572 (Fed. Cir. 1991).

7. *Filmtec* held that “[i]f an assignment of an invention is made prior to the existence of the

invention, this [is] an assignment of an expectant interest[, which] can be a valid assignment.”

And that “[o]nce an invention is made and an application for patent is filed, however, legal title to the rights accruing thereunder would be in the assignee[] and the assignor-inventor would have nothing remaining to assign.”

8. The United States Supreme Court agreed with *Filmtec* in *Bd. of Trs. V. Roche Molecular Sys.* 131 S. Ct. 2188 (2011). In *Bd. of Trs.*, the Court held that the inventor retained legal right to his invention, even if the invention was funded by the U.S. Government under the Bayh-Dole Act. The Court agreed that as the inventor has legal right to his invention, he can assign that invention, and that he had assigned the invention at issue to a company called Cetus by entering into a Visitor’s Confidentiality Agreement (VCA) with Cetus before making his invention. The VCA stated that he “will assign and do[es] hereby assign” to Cetus his right, title and interest in . . . the ideas, inventions and improvements” made “as a consequence of [his] access” to Cetus. The VCA thus gave Cetus legal title to future inventions of this inventor once the inventions were made and the patent application filed.

9. In this case, each of the above-identified inventors signed an Employment Agreement with Regeneron prior to making the inventions disclosed in PRO1, PRO2, and PRO3; each was employed by Regeneron when these inventions were made; and each made the inventions as part of his/her job at Regeneron. In that Employment Agreement, each inventor stated unambiguously that “[e]mployee hereby assigns to the Company any rights Employee may have or acquire in such Inventions.” Such Inventions would include those disclosed in PRO1, PRO2, and PRO3. According to U.S. law, Regeneron has legal title¹ to the inventions in PRO1, PRO2, and

¹ Had the language of the agreement be different, such that the inventor agreed that he/she “will assign” the inventions to the company rather than “hereby assigns” the inventions to the company, the company would still have equitable title of the inventions. *Chou v. Univ. of Chi. & Arch Dev. Corp.* 254 F.3d 1347 (Fed. Cir. 2001). In *Chou*, the agreement made between inventor *Chou* and the University when she started work there was that the

PRO3, once the inventions were made and these patent applications filed. This legal title has no geographical limitation and is not limited to particular patent applications, as Regeneron owns *the inventions*.

10. In the United States, priority rights are not severable from the rights to an invention. The right to claim priority to an invention is considered an accessory to the rights to the invention itself. Thus, rights to an invention and rights to claim priority to that invention are necessarily transferred together, not separately. There is no requirement under U.S. law that assignment of patent rights expressly include a transfer of priority rights. Indeed, I am aware of no U.S. legal authority that suggests that priority right could be severed from the patent rights if for some reason the parties wanted to do so.

11. Thus, Regeneron is the owner of the three priority applications (PRO1, PRO2, and PRO3) and the right to claim priority therefrom at the time the three priority applications (PRO1, PRO2, and PRO3) were filed and at the time the European application (PCT/US2012/026426) was filed. Nothing in the Employment Agreement contradicts this conclusion.

12. With regard to the Declaration referenced in the Opponent's "Statement of facts and evidence in opposition to EP2550363" of 10 September 2015 (at page 6 thereof), this in no way indicates that the declarants retained any rights in the invention. Such Declarations merely reflect U.S. procedural law governing patent procurement. In particular, U.S. law requires that each individual inventor file such a Declaration in connection with a patent application. This is required even if, as in the case here, the invention and all associated rights have been assigned to

inventions made during her time at the University "shall be assigned" to the University. The Court considered this agreement to be a promise to assign her inventions, rather than an assignment. Nonetheless, once the inventions were made and the patent applications filed, the Court held that the University had equitable title and the inventor did not have ownership of the patent application disclosing such inventions to challenge the University in Court.

an assignee. Such Declarations do not reflect (or affect in any way) the disposition of substantive priority rights.

13. I hereby confirm that the redacted portions of the Employment Agreements of all three inventors (attached at Exhibits 2-4) do not have a bearing on the disposition of the priority rights at issue.

14. I hereby confirm that the foregoing statements are true to the best of my knowledge and belief.

Signed: _____
Stanley Liang, Ph.D., J.D.
Partner, Resek, Liang & Frank LLP

Date: _____