

Preface

The Sixth Edition is entirely revised to reflect the many changes that have occurred since the last edition was published in 2004. Four years of Supreme Court decisions, such as *Med-Immune*, *eBay*, *Illinois Tool*, and *Quanta*, necessitated major revision of material on antitrust and patent exhaustion and the addition of new chapters on avoiding litigation consequences in license negotiations and on settlements of litigation. New chapters on taxation, dispute resolution, and confidential disclosure agreements have been added. Revisions of particular interest include an extensive discussion of antitrust and misuse issues in view of recent Supreme Court and Justice Department/Federal Trade Commission pronouncements. The antitrust discussion also addresses issues arising from “reverse settlements” of ANDA litigations and from the standards-setting process.

The computer disk provided with this Sixth Edition provides access to a set of form paragraphs that can be incorporated, with careful editing, into a license agreement being prepared by the reader. The form paragraphs are indexed to the text which provides the rationale and legal support concerning whether a particular form paragraph is appropriate to accomplish the drafter’s specific goals. The computer disk also includes the form agreements contained in the appendices.

The Sixth 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, before beginning a clause-by-clause discussion of negotiating and drafting techniques, we address the fundamental legal concepts in Chapters 1, 2, 3, and 4. While

incorporating this new material into the Sixth Edition, we have attempted to preserve the concise nature of the earlier editions.

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