Gene Patent Lands in Court:
The answer isn t blowin in this blustery dispute

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The Supreme Court of Canada is currently deciding a case that could affect enforcement of some genetic engineering patents. In *Monsanto v. Schmeiser,* the defendant, Schmeiser, was accused by Monsanto of cultivating and replanting Monsanto's genetically engineered canola seed that inadvertently blew onto his field. Lower courts decided that Schmeiser infringed Monsanto's plant gene patent.

This case is hot on the heels of the 2002 Supreme Court Harvard Mouse decision which approved patenting of isolated genes, but not the transgenic mouse itself. Some media and special interest groups hailed that decision as a victory that allowed transgenic life forms to remain in the public domain. At patent firms, the business of protecting private IP rights in transgenic life forms continued as usual. Since the Canadian Patent Office continues to allow claims to transgenic cells, genes, vectors, and methods used to make the transgenic life forms, many applicants feel that the current patent law is sufficient to protect their technology. This has been substantiated by Monsanto's success to date in enforcing its Canadian plant gene claims against Schmeiser for using transgenic seeds and plants containing the patented gene. **Irrespective of the Supreme Court's decision in *Monsanto v. Schmeiser*, we expect that inventors should still have good ways to protect IP in most transgenic life forms.**

In certain instances, applicants prefer not to patent the IP in transgenic animal inventions because of a trend that the scope of such patents is getting more narrow. Some have found that, patent or no patent, others will pay a reasonable fee for a breeding pair of mice to avoid repeating the work and time needed to create the transgenic mouse. In these situations, material transfer agreements are used to prevent unauthorized breeding and distribution. Controlling IP with a material transfer agreement is particularly useful where the commercial value of a transgenic mouse does not justify the cost of patenting. However, where significant licensing fees are at stake or there is an advantage in depriving a

competitor of a transgenic life form, patenting in major markets remains the best option.

Both the Harvard Mouse decision and the *Monsanto v. Schmeiser* case appear to have their strongest implications for the agriculture industry, where claims to seeds and plants are very important. If a new plant is created by conventional plant breeding, Plant Breeders' Rights protection should be considered. Registration of new plant varieties under Plant Breeders' Rights system is a useful tool to prevent unauthorized production and sale of seed. However, where genetic engineering is used to create new plants, patents provide broader protection against anyone using the protected gene, irrespective of the variety.

The biotechnology industry is also requesting new laws which would permit patent claims for transgenic life forms. In the meantime, a variety of patent claims and other methods to control IP will be continue to be useful.