

**BIPLA President Rebecca McNeill's Remarks
at the April 28, 2023, Korea-US Round Table
Led by South Korean President Yoon Suk Yeol**

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Good morning. My name is Rebecca McNeill. I am a private practice attorney at McNeill Baur and president of the Boston Intellectual Property Law Association (BIPLA). For 99 years, BIPLA has been serving the intellectual property community by promoting public understanding of IP, delivering educational programs, and providing a forum for the exchange of ideas concerning intellectual property. On behalf of all of the IP attorneys in the greater Boston area, thank you for inviting me to speak today.

So many factors have contributed to Boston's success as a renowned biotech hub. Patents are only one factor, as demonstrated by the remarks of others here today.

Patents promote detailed disclosure of new inventions

Without the patent system, innovators might keep their discoveries safely secured from competitors. Trade secrets would rule until a regulatory agency, such as the FDA, required disclosure. The patent system promotes early disclosure of inventions, and inventors are rewarded for disclosure with the promise of exclusivity for the term of the patent. But more than that, the legal requirements to support the claims of an invention encourage inventors to make a full and complete disclosure of all aspects of their invention, including both potential leads and backup plans. Other inventors can benefit from this disclosure, improve their understanding, and stand on the shoulders of giants to make additional improvements or related inventions.

Patents reward academic organizations for research

Boston innovation benefits from its top hospitals and research institutions, supported in part by US government funding. Massachusetts received \$3.3 billion dollars of NIH funding in 2021. The US Bayh-Dole Act of 1980 allows academic organizations to own the rights to their inventions resulting from Federally funded research so long as they work to actively commercialize the technology. And when universities license their technology to companies, they also receive valuable funding for more research and compensation for inventors. This virtuous cycle of government funding leading to patents leading to corporate funding from licensing allows academic organizations to do their best work.

Patents promote investment in new companies and stimulate partnership between large and small companies

Venture capital requires returns on investment and patent exclusivity reassures VCs that they will receive returns. In each round of funding from seed rounds to later series investments, VCs work with patent attorneys to evaluate the patent holdings of a new company to ensure they can effectively block competition in the marketplace. In 2021, Massachusetts-headquartered companies received \$13.6 billion dollars of VC funding. Massachusetts companies receive funding from all over the world. For example, just this week, Vedanta Biosciences here in Cambridge publicly reported a \$106.5 million dollar Series E financing including multiple VCs from Korea.

Like VCs, large companies want exclusivity for potential products or services. Having an exclusive position means that small companies have leverage at the table for potential partnerships or as an acquisition target. Without this exclusivity, large companies could move faster towards manufacturing, distribution, or even FDA approval than the small company founded to pursue a new invention. Through the first half of 2022, 11 Massachusetts-headquartered biopharma companies were acquired for a disclosed total of \$4.47 billion dollars. Thus, patents promote the formation and success of small companies, a key player in the Boston biotech ecosystem.

Conclusion

Having a robust patent system helps to support the Boston innovation economy to deliver real-world solutions to patients.

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