

Patent Reform Act of 2005 (HR 2795) - Markup of Title 35 USC:

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Key to Markups

Jun 8 Markup of Statute (in black);

Revisions by Rep. Smith on 26 Jul (in blue);

“Coalition Print” of 01 Sep 2005 [As revised by Rep. Smith] (in green).

Editor’s Note: HR 2795, first introduced on 8 Jun 2005, continues to move forward. On September 01, a “Coalition Print” authored by the “Coalition for Patent Reform¹” was published. On Oct 20, Rep Smith offered an amendment to the Coalition print, again in the form of a substitute bill. This markup is current through 22 Oct 2005.

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Sec. 1. Short title; table of contents.

Sec. 2. Reference to title 35, United States Code. Sec. 3. Right of the first inventor to file (Comprising amendments to §6, 41, 100, 102, 103, 104, 111, 112, 115, 119, 120, 131, 134, 135, 141, 145, 146, 154, 157, 172, 202, 287, 291, 305, 314, 374, 375)

Sec. 4. Right to a patent (§101, 112, 115, 118, 121)

Sec. 5. Duty of candor (§32, 116, 136, 137, 184, 185, 251, 253, 256, 281, 288)

Sec. 6. Right of the inventor to obtain damages (§271, 281, 284)

Sec.7. Post-grant procedures and other quality enhancements (§122, 273, 315, [New - Chapter 32, §321-340]).

Sec. 8. Submissions by third parties (§122).

Sec. 9. Transfer of Venue (Amendment to §281).

Sec. 10. Applicability; transitional provisions.

Repealed without amendment: sections §104, 157, 291, 365.

¹ The Coalition Print was introduced by the “Coalition for Patent Reform,” an industry group consisting of 3M, Abbott Laboratories, Air Liquide, Air Products, AstraZeneca, BASF Corporation, Baxter Healthcare Corporation, Bridgestone Americas Holding, Inc., Bristol-Myers Squibb, Callaway Golf Company, Cargill Incorporated, Caterpillar, CheckFree, Dow, Eastman Kodak Company, EFI – Electronics for Imaging, Eli Lilly and Company, General Electric, Glaxo SmithKline, Henkel Corporation, Hoffman-La Roche Inc., Johnson & Johnson, Merck, Monsanto, Motorola, Novartis Corporation, Novo Nordisk, Patent Café.com, Inc., Pfizer, Procter & Gamble, Rohm and Haas Company, United Technologies, and Wyeth [as of 1 Sep 2005].

This document serves as a tool to show where the language of the bill is still in flux, and to highlight all proposed changes to the statute, not merely the most recent ones.

Unless required for clarity, only amended sections of the statute are reproduced here in their completeness, with mark-up as shown. All new markups are transcribed onto Title 35 here, on top of the earlier changes. Underlining indicates new text, ~~strikethrough~~ indicates deleted text; text both ~~underlined and struckthrough~~ was first added, then later withdrawn. For sections not modified by the bill, the reader is referred to Title 35 USC as it stands. Editorial notes regarding the effective dates of the provisions are extracted from section 10 of the bill. Obvious typographical or nonconforming errors in the bill are highlighted in red but not corrected.

Section 9 (Transfer of Venue), first introduced on 26 Jul, was further revised in the Coalition Print. In the Coalition Print of 1 Sep 2005, Title 35 section 271(f) was repealed, but the existing statute has been restored in the 20 Oct version shown here. Negotiations continue.

This markup version has undergone extensive proofreading. We apologize in advance for any remaining errors or omissions and request that such material as seems of doubtful veracity be brought to our attention care of KLambert@4ipt.com. Thank you!

Title 35 USC.

§ 6. Board of Patent Appeals and ~~Interferences~~

(a) Establishment and Composition.— There shall be in the United States Patent and Trademark Office a Board of Patent Appeals ~~and Interferences~~. The Director, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges shall constitute the Board. The administrative patent judges shall be persons of competent legal knowledge and scientific ability who are appointed by the Director.

(b) Duties.— The Board of Patent Appeals ~~and Interferences~~ shall, on written appeal of an applicant, review adverse decisions of examiners upon applications for patents and shall determine priority and patentability of invention in inventor's rights contests ~~interferences~~ declared under section 135 (a). Each appeal and inventor's rights contest ~~interference~~ shall be heard by at least three members of the Board, who shall be designated by the Director. Only the Board of Patent Appeals ~~and Interferences~~ may grant rehearings.

(c) ADDITIONAL RESPONSIBILITIES OF ADMINISTRATIVE PANEL JUDGES.— Panels of administrative patent judges, once assigned by the Director, shall have the responsibilities under chapter 32 in connection with post-grant opposition proceedings.

§ 32 Suspension or exclusion from practice.

The Director may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent and Trademark Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 2(b)(2)(D) of this title, or who shall, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the Office. The reasons for any

such suspension or exclusion shall be duly recorded. The Director shall have the discretion to designate any attorney who is an officer or employee of the United States Patent and Trademark Office to conduct the hearing required by this section. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Director upon the petition of the person so refused recognition or so suspended or excluded.

A suit or proceeding under this section may be brought if commenced—

(1) during the 5-year period beginning on the date of the conduct at issue; or

(2) if the conduct at issue relates to a patent or to an application that issued as a patent, before the date that is the later of—

(A) six years from the end of the statutory term of the patent; or

(B) the end of the 2-year period beginning on the date on which the first judgment is entered that the conduct at issue represented misconduct under any provision of this title.

§ 100. Definitions

When used in this title unless the context otherwise indicates—

- (a) The term “invention” means invention or discovery.
- (b) The term “process” means process, art or method, and includes a new use of a known process, machine, manufacture, composition of matter, or material.
- (c) The terms “United States” and “this country” mean the United States of America, its territories and possessions.
- (d) The word “patentee” includes not only the patentee to whom the patent was issued but also the successors in title to the patentee.
- (e) The term “third-party requester” means a person requesting ex parte reexamination under section 302 or inter partes reexamination under section 311 who is not the patent owner.
- (f) The term ‘inventor’ means the individual or, if a joint invention, the individuals collectively who invented or discovered the subject matter of the invention.**
- (g) The terms ‘joint inventor’ and ‘coinventor’ mean any one of the individuals who invented or discovered the subject matter of a joint invention.**
- (h) The ‘effective filing date’ of a claimed invention is—**
 - (1) the filing date of the patent or the application for patent containing the claim to the invention; or**
 - (2) if the patent or application for patent is entitled to a right of priority of any other application under section 119, 365(a), or 365(b) or to the benefit of an earlier filing date in the United States under section 120, 121, or 365(c), the filing date of the earliest such application in which the claimed invention is disclosed in the manner provided by the first paragraph of section 112 of this title.**

(i) The term ‘claimed invention’ means the subject matter defined by a claim in a patent or an application for a patent.

§101. Right to patent; subject matter eligible for patenting ~~Inventions patentable~~

The inventor of ~~Whoever invents or discovers~~ any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, has the right to apply for and to obtain ~~may obtain~~ a patent therefor, subject to the conditions and requirements of this title.

Editor’s Note: All statutory amendments of the section of this ACT titled “Right of the first inventor to file,” and regulations pertaining thereto, shall take effect for the examination of any patent application having an effective filing date of one year or more after the enactment of this ACT. All statutory amendments with respect to the sections of this ACT titled “Right to a patent” and “Duty of Candor” shall take place immediately upon enactment.

§102. Conditions for patentability; prior art defined; novelty and loss of right to patent

(a) NOVELTY; PRIOR ART.—A patent for a claimed invention may not be obtained if—

(1) the claimed invention was patented, described in a printed publication, or otherwise publicly known—

(A) more than one year before the effective filing date of the claimed invention; or

(B) before the effective filing date of the claimed invention, other than through disclosures made by the inventor or a joint inventor or by others who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor one year or less before the effective filing date of the claimed invention, if the invention was patented or described in a printed publication or otherwise publicly known before the invention thereof by the applicant for a patent; or

(2) the claimed invention was described in a patent issued under section 151, or in an application for patent published or deemed published under section 122(b), in which the patent or application, as the case may be, names another inventor and was effectively filed before the effective filing date of the claimed invention.

(b) LIMITATION ON PRIOR ART.—

(1) ~~PRIOR INVENTOR DISCLOSURE EXCEPTION. DERIVATION AND COMMON ASSIGNMENT INVENTION EXCEPTIONS.~~ —Subject matter that would otherwise qualify as prior art only under subparagraph (B) of subsection (a) (1 2) shall not be prior art to a claimed invention under such subsection if such subject matter had previously been made publicly known by the inventor or a joint inventor or others who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.

(A) ~~the subject matter was obtained directly or indirectly from the inventor or a joint inventor; or~~

~~(B) the subject matter and the claimed invention were, not later than the effective filing date of the claimed invention, owned by the same person or subject to an obligation of assignment to the same person.~~

~~“(2) DERIVATION, PRIOR DISCLOSURE AND COMMON ASSIGNMENT EXCEPTIONS.— Subject matter that would otherwise qualify as prior art only under subsection (a)(2), after taking into account the exception under paragraph (1), shall not be prior art to a claimed invention if—~~

~~(A) the subject matter was obtained directly or indirectly from the inventor or a joint inventor;~~

~~(B) subject matter had previously been made publicly known by the inventor or a joint inventor or others who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or~~

~~(C) the subject matter and the claimed invention, not later than the effective filing date of the claimed invention, were owned by the same person or subject to an obligation of assignment to the same person.~~

~~(3) JOINT RESEARCH AGREEMENT EXCEPTION.-~~

~~(A) IN GENERAL.-Subject matter and a claimed invention shall be deemed to have been owned by the same person or subject to an obligation of assignment to the same person in applying the provisions in paragraph (2) of this subsection (b) if—~~

~~(i) the claimed invention was made by or on behalf of parties to a joint research agreement that was in effect on or before the effective filing date of the claimed invention;~~

~~(ii) the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement; and~~

~~(iii) the application for patent for the claimed invention discloses or is amended to disclose the names of the parties to the joint research agreement.~~

~~(B) For purposes of subparagraph (A), the term “joint research agreement” means a written contract, grant, or cooperative agreement entered into by two or more persons or entities for the performance of experimental, developmental, or research work in the field of the claimed invention.~~

~~(2) JOINT RESEARCH AGREEMENT EXCEPTION.—~~

~~(A) EXCEPTION.— Subject matter that would otherwise qualify as prior art only under subsection (a)(2) shall not be prior art for purposes of section 103 to a claimed invention if— (i) the claimed invention was made by or on behalf of parties to a joint research agreement that was in effect on or before the effective filing date of the claimed invention; (ii) the subject matter was developed and the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement; and (iii) the application for patent for the~~

~~claimed invention discloses or is amended to disclose the names of the parties to the joint research agreement.~~

~~(B) DEFINITION.— For purposes of subparagraph (A), the term joint research agreement means a written contract, grant, or cooperative agreement entered into by two or more persons or entities for the performance of experimental, developmental, or research work in the field of the claimed invention.~~

[4(2(3))] REASONABLE AND EFFECTIVE ACCESSIBILITY REQUIREMENT.—

(A) IN GENERAL.—Subject matter is publicly known for the purposes of subsection (a)(1) only when—

(i) it becomes reasonably and effectively accessible through its use, sale, or disclosure by other means; or

(ii) it is embodied in or otherwise inherent in subject matter that has become reasonably and effectively accessible.

(B) REASONABLE AND EFFECTIVE ACCESSIBILITY.—For purposes of subparagraph (A)—

(i) subject matter is reasonably accessible if persons of ordinary skill in the art to which the subject matter pertains are able to gain access to the subject matter ~~by~~ without resort to undue efforts; and

(ii) subject matter is effectively accessible if persons of ordinary skill in the art to which the subject matter pertains are able to comprehend the content of the subject matter without resort to undue efforts.

[5(3(4))] PATENTS AND PUBLISHED APPLICATIONS EFFECTIVELY FILED.—A patent or application for patent is effectively filed under subsection (a)(2) with respect to any subject matter described in the patent or application—

(A) as of the filing date of the patent or the application for patent; or

(B) if the patent or application for patent is entitled to claim a right of priority under section 119, 365(a), or 365(b) or to claim the benefit of an earlier filing date under section 120, 121, or 365(c), based upon one or more prior filed applications for patent, as of the filing date of the earliest such application that describes the subject matter.

~~[§102 Repealed] A person shall be entitled to a patent unless—~~

~~(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or~~

~~(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or~~

~~(c) he has abandoned the invention, or~~

~~(d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months before the filing of the application in the United States, or~~

~~(e) the invention was described in~~

~~(1) an application for patent, published under section 122 (b), by another filed in the United States before the invention by the applicant for patent or~~

~~(2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351 (a) shall have the effects for the purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language; [1] or~~

~~(f) he did not himself invent the subject matter sought to be patented, or~~

~~(g)~~

~~(1) during the course of an interference conducted under section 135 or section 291, another inventor involved therein establishes, to the extent permitted in section 104, that before such persons invention thereof the invention was made by such other inventor and not abandoned, suppressed, or concealed, or~~

~~(2) before such persons invention thereof, the invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it. In determining priority of invention under this subsection, there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.~~

Editor' note: For the purpose of determining the validity of 'any patent claim of any patent,' the provisions of §102(c) and (d) shall be deemed to be repealed upon passage of this ACT. The provisions of §102(f) shall be deemed to be repealed and replaced by section §101 as amended in this ACT. The term "in public use or on sale" as used in section §102(b) shall be deemed to exclude the use, sale, or offer for sale of any subject matter that had not become reasonably and effectively accessible to persons of ordinary skill in the art to which the subject matter pertains (see section 10(g) of ACT).

§ 103. Conditions for patentability; non-obvious subject matter

(a) A patent for a claimed invention may not be obtained ~~through though the claimed invention~~ A patent may not be obtained though the invention is not identically disclosed or

described as set forth in section 102 of this title, if the differences between the subject matter of the claimed invention sought to be patented and the prior art are such that the subject matter as a whole would have been obvious before the effective filing date of the daimed invention at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

~~[b(c)]~~

~~(1) Subject matter developed by another person, which is disqualified as prior art under section 102(b), which qualifies as prior art only under one or more of subsections (e), (f), and (g) of section 102 of this title, shall not preclude patentability under this section if where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person[,] or subject to an obligation of assignment to the same person, on or before the effective filing date of the claimed invention.~~

~~(2) For purposes of this subsection, subject matter developed by another person and a claimed invention shall be deemed to have been owned by the same person or subject to an obligation of assignment to the same person if—~~

~~(A) the claimed invention was made by or on behalf of parties to a joint research agreement that was in effect on or before the effective filing date of the claimed invention the date the claimed invention was made.~~

~~(B) the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement; and~~

~~(C) the application for patent for the claimed invention discloses or is amended to disclose the names of the parties to the joint research agreement.~~

~~(3) For purposes of paragraph (2), the term “joint research agreement” means a written contract, grant, or cooperative agreement entered into by two or more persons or entities for the performance of experimental, developmental, or research work in the field of the claimed invention.~~

Editor’s note: In Coalition print, definition of prior art and provisions of CREATE act are consolidated under §102, eliminating the need for sections §103(b),(c) of the existing statute. Prior art as defined for novelty applies also to obviousness. Surprisingly, no suggestion has been made to place the definition of prior art in the definitions section §100.

~~(b)~~

~~(1) Notwithstanding subsection (a), and upon timely election by the applicant for patent to proceed under this subsection, a biotechnological process using or resulting in a composition of matter that is novel under section 102 and nonobvious under subsection (a) of this section shall be considered nonobvious if—~~

~~(A) claims to the process and the composition of matter are contained in either the same application for patent or in separate applications having the same effective filing date; and~~

~~(B) the composition of matter, and the process at the time it was invented, were owned by the same person or subject to an obligation of assignment to the same person.~~

~~(2) A patent issued on a process under paragraph (1)—~~

~~(A) shall also contain the claims to the composition of matter used in or made by that process, or~~

~~(B) shall, if such composition of matter is claimed in another patent, be set to expire on the same date as such other patent, notwithstanding section 154.~~

~~(3) For purposes of paragraph (1), the term “biotechnological process” means—~~

~~(A) a process of genetically altering or otherwise inducing a single or multi-celled organism to—~~

~~(i) express an exogenous nucleotide sequence,~~

~~(ii) inhibit, eliminate, augment, or alter expression of an endogenous nucleotide sequence, or~~

~~(iii) express a specific physiological characteristic not naturally associated with said organism;~~

~~(B) cell fusion procedures yielding a cell line that expresses a specific protein, such as a monoclonal antibody; and~~

~~(C) a method of using a product produced by a process defined by subparagraph (A) or (B), or a combination of subparagraphs (A) and (B).~~

~~(e) Subject matter developed by another person, which qualifies as prior art only under one or more of subsections (e), (f), and (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.~~

~~**104. Invention made abroad (Section repealed)**~~

§ 111 Application.

(a) IN GENERAL.—

(1) WRITTEN APPLICATION.—An application for patent shall be made, or authorized to be made, by the inventor, except as otherwise provided in this title, in writing to the Director.

(2) CONTENTS.—Such application shall include—

(A) a specification as prescribed by section 112 of this title;

(B) a drawing as prescribed by section 113 of this title; and

(C) an oath or declaration by the applicant as prescribed by section 115 of this title.

(3) FEE AND OATH.—The application must be accompanied by the fee required by law. The fee and oath may be submitted after the specification and any required drawing are submitted, within such period and under such conditions, including the payment of a surcharge, as may be prescribed by the Director.

(4) FAILURE TO SUBMIT.—Upon failure to submit the fee and oath within such prescribed period, the application shall be regarded as abandoned, unless it is shown to the satisfaction of the Director that the delay in submitting the fee and oath was unavoidable or unintentional. The filing date of an application shall be the date on which the specification and any required drawing are received in the Patent and Trademark Office.

(b) PROVISIONAL APPLICATION.—

(1) AUTHORIZATION.—A provisional application for patent shall be made or authorized to be made by the inventor, except as otherwise provided in this title, in writing to the Director. Such application shall include—

A) a specification as prescribed by the first paragraph of section 112 of this title; and

(B) a drawing as prescribed by section 113 of this title.

(2) CLAIM.—A claim, as required by the second through fifth paragraphs of section 112, shall not be required in a provisional application.

(3) FEE.—

(A) The application must be accompanied by the fee required by law.

(B) The fee may be submitted after the specification and any required drawing are submitted, within such period and under such conditions, including the payment of a surcharge, as may be prescribed by the Director.

(C) Upon failure to submit the fee within such prescribed period, the application shall be regarded as abandoned, unless it is shown to the satisfaction of the Director that the delay in submitting the fee was unavoidable or unintentional.

(4) FILING DATE.—The filing date of a provisional application shall be the date on which the specification and any required drawing are received in the Patent and Trademark Office.

(5) ABANDONMENT.—Notwithstanding the absence of a claim, upon timely request and as prescribed by the Director, a provisional application may be treated as an application filed under subsection (a). Subject to section 119(e)(3) of this title, if no such request is made, the provisional application shall be regarded as abandoned 12 months after the filing date of such application and shall not be subject to revival after such 12-month period.

(6) OTHER BASIS FOR PROVISIONAL APPLICATION.—Subject to all the conditions in this subsection and section 119(e) of this title, and as prescribed by the Director, an application for patent filed under subsection (a) may be treated as a provisional application for patent.

(7) NO RIGHT OF PRIORITY OR BENEFIT OF EARLIEST FILING DATE.—A provisional application shall not be entitled to the right of priority of any other application under section 119 or 365(a) of this title or to the benefit of an earlier filing date in the United States under section 120, 121, or 365(c) of this title.

(8) APPLICABLE PROVISIONS.—The provisions of this title relating to applications for patent shall apply to provisional applications for patent, except as otherwise provided, and except that provisional applications for patent shall not be subject to sections ~~115, 131, and 135, and 157~~ of this title.

§ 112. Specification

(a) IN GENERAL – The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, ~~and shall set forth the best mode contemplated by the inventor of carrying out his invention.~~

(b) CONCLUSION – The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the **inventor or a joint inventor regards as the invention.** ~~applicant regards as his invention.~~

(c) FORM – A claim may be written in independent or, if the nature of the case admits, in dependent or multiple dependent form.

(d) REFERENCE IN DEPENDENT FORMS – Subject to **subsection (e)** ~~the following paragraph~~, a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed. A claim in dependent form shall be construed to incorporate by reference all the limitations of the claim to which it refers.

(e) REFERENCE IN MULTIPLE DEPENDENT FORM – A claim in multiple dependent form shall contain a reference, in the alternative only, to more than one claim previously set forth and then specify a further limitation of the subject matter claimed. A multiple dependent claim shall not serve as a basis for any other multiple dependent claim. A multiple dependent claim shall be construed to incorporate by reference all the limitations of the particular claim in relation to which it is being considered.

(f) ELEMENT IN CLAIM FOR A COMBINATION – An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

§ 115. Inventor's oath or declaration—

~~The Director may require the applicant to make an oath setting forth particulars relating to the inventor and the invention.~~

(a) NAMING THE INVENTOR; INVENTOR'S OATH OR DECLARATION.—An applicant for patent that is filed under section 111(a), ~~or that commences the national stage under section 363, or that is filed by an inventor for an invention for which an application has previously been filed under this title by that inventor~~ shall include, or be amended to include, the name of the inventor of any claimed invention in the application. Except as otherwise provided in this section, an individual who is the inventor or a joint inventor of a claimed invention in an application for patent shall execute an oath or declaration in connection with the application.

(b) REQUIRED STATEMENTS.—An oath or declaration under subsection (a) shall contain statements that—

- (1) the application was made or was authorized to be made by the affiant or declarant; and
- (2) such individual believes himself or herself to be the original inventor or an original joint inventor of a claimed invention in the application.

(c) ADDITIONAL REQUIREMENTS.—The Director may specify additional information relating to the inventor and the ~~claimed~~ invention that must be included in an oath or declaration under subsection (a).

(d) SUBSTITUTE STATEMENT.—

- (1) IN GENERAL.—In lieu of executing an oath or declaration under subsection (a), the applicant for patent may provide a substitute statement under the circumstances described in paragraph (2) and such additional circumstances that the Director may specify by regulation.
- (2) PERMITTED CIRCUMSTANCES.—A substitute statement under paragraph (1) shall be permitted with respect to any individual who, at the time the substitute statement is filed—
 - (A) is deceased,
 - (B) is under legal incapacity,
 - (C) is under an obligation to assign the invention but has refused to make the oath or declaration required under subsection (a); or
 - (D) cannot be found or reached after diligent effort.
- (3) CONTENTS.—A substitute statement under this subsection shall—
 - (A) identify the individual with respect to whom the statement applies;
 - (B) set forth the circumstances representing the permitted basis for the filing of the substitute statement in lieu of the oath or declaration under subsection (a); ~~and~~
 - (C) contain any additional information, including any showing, required by the Director; ~~and~~

(D) contain a warning that willful false statements and the like are punishable by fine or imprisonment or both.

(e) MAKING ANY REQUIRED STATEMENTS IN ASSIGNMENT OF RECORD.—An individual who is under an obligation of assignment of any application for patent may include the required statements under subsections (b) and (c) in the assignment executed by the individual, in lieu of filing such statements separately, if the assignment contains a warning that willful false statements and the like are punishable by fine or imprisonment or both.

(f) TIME FOR FILING.—A notice of allowance under subsection 151 may be provided to an applicant for patent only if the applicant for patent has filed each required oath or declaration under section (a) or, in lieu thereof, has filed a substitute statement under subsection (d) or recorded an assignment meeting the requirements of subsection (e).

(g) EARLIER-FILED APPLICATION CONTAINING REQUIRED STATEMENTS OR SUBSTITUTE STATEMENT.—The requirements under this section shall not apply to an individual with respect to an application for patent in which the individual is named as the inventor or a joint inventor and that, for each claimed invention, is entitled to claims the benefit under section 120 or 365(c) of the filing of an earlier-filed application, if—

(1) an oath or declaration meeting the requirements of subsection (a) was executed by the individual and was filed in connection with the earlier filed application;

(2) a substitute statement meeting the requirements of subsection (d) was filed in the earlier filed application with respect to the individual; or

(3) an assignment meeting the requirements of subsection (e) was executed with respect to the earlier-filed application by the individual and was recorded in connection with the earlier-filed application.

(h) SUPPLEMENTAL AND CORRECTED STATEMENT; FILING ADDITIONAL STATEMENTS.—

(1) IN GENERAL.—A statement made under this section may be withdrawn, replaced, or otherwise corrected at any time. If a change is made in the naming of the inventor requiring the filing of one or more additional statements under this section, the Director shall establish regulations under which such additional statements may be filed.

(2) SUPPLEMENTAL STATEMENTS NOT REQUIRED.—If an individual has executed an oath or declaration under subsection (a) or an assignment meeting the requirements of subsection (e) with respect to an application for patent, no supplemental oath or declaration or further substitute statement shall thereafter be required in connection with the application for patent or any patent issuing thereon.

(3) SAVINGS CLAUSE.—No patent shall be invalid or unenforceable based upon the failure to comply with a requirement under this section if the failure is remedied as provided under paragraph (1).

~~The applicant shall make oath that he believes himself to be the original and first inventor of the process, machine, manufacture, or composition of matter, or improvement thereof, for which he solicits a patent; and shall state of what country he is a citizen. Such oath may be made before any person within the United States authorized by law to administer oaths, or, when, made in a foreign country, before any diplomatic or consular officer of the United States authorized to administer oaths, or before any officer having an official seal and authorized to administer oaths in the foreign country in which the applicant may be, whose authority is proved by certificate of a diplomatic or consular officer of the United States, or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States, and such oath shall be valid if it complies with the laws of the state or country where made. When the application is made as provided in this title by a person other than the inventor, the oath may be so varied in form that it can be made by him. For purposes of this section, a consular officer shall include any United States citizen serving overseas, authorized to perform notarial functions pursuant to section 1750 of the Revised Statutes, as amended (22 U.S.C. 4221).~~

§ 116. Inventors

(a) JOINT INVENTIONS – When an invention is made by two or more persons jointly, they shall apply for patent jointly and each make the required oath, except as otherwise provided in this title. Inventors may apply for a patent jointly even though

- (1) they did not physically work together or at the same time,
- (2) each did not make the same type or amount of contribution, or
- (3) each did not make a contribution to the subject matter of every claim of the patent.

(b) OMITTED INVENTOR – If a joint inventor refuses to join in an application for patent or cannot be found or reached after diligent effort, the application may be made by the other inventor on behalf of himself and the omitted inventor. The Director, on proof of the pertinent facts and after such notice to the omitted inventor as he prescribes, may grant a patent to the inventor making the application, subject to the same rights which the omitted inventor would have had if he had been joined. The omitted inventor may subsequently join in the application.

(C) CORRECTION OF ERRORS IN APPLICATION – Whenever through error a person is named in an application for patent as the inventor, or through error an inventor is not named in an application, ~~and such error arose without any deceptive intention on his part~~, the Director may permit the application to be amended accordingly, under such terms as he prescribes.

§ 118. Filing by other than inventor

A person to whom the inventor has assigned or is under an obligation to assign the invention may make an application for patent. A person who otherwise shows sufficient proprietary interest in the matter may make an application for patent on behalf of and as agent for the inventor on proof of the pertinent facts and a showing that such action is appropriate to preserve the rights of the parties. If the Director grants a patent on an application filed under this section by a person other than the inventor, the patent shall be granted to the real party in interest and upon such notice to the inventor as the Director considers to be sufficient.

~~Whenever an inventor refuses to execute an application for patent, or cannot be found or reached after diligent effort, a person to whom the inventor has assigned or agreed in writing to assign the invention or who otherwise shows sufficient proprietary interest in the matter justifying such action, may make application for patent on behalf of and as agent for the inventor on proof of the pertinent facts and a showing that such action is necessary to preserve the rights of the parties or to prevent irreparable damage; and the Director may grant a patent to such inventor upon such notice to him as the Director deems sufficient, and on compliance with such regulations as he prescribes.~~

§ 119. Benefit of earlier filing date; right of priority

(a) An application for patent for an invention filed in this country by any person who has, or whose legal representatives or assigns have, previously regularly filed an application for a patent for the same invention in a foreign country which affords similar privileges in the case of applications filed in the United States or to citizens of the United States, or in a WTO member country, shall have the same effect as the same application would have if filed in this country on the date on which the application for patent for the same invention was first filed in such foreign country, if the application in this country is filed within twelve months from the earliest date on which such foreign application was filed; ~~but no patent shall be granted on any application for patent for an invention which had been patented or described in a printed publication in any country more than one year before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country more than one year prior to such filing.~~

(b)

(1) No application for patent shall be entitled to this right of priority unless a claim is filed in the Patent and Trademark Office, identifying the foreign application by specifying the application number on that foreign application, the intellectual property authority or country in or for which the application was filed, and the date of filing the application, at such time during the pendency of the application as required by the Director.

(2) The Director may consider the failure of the applicant to file a timely claim for priority as a waiver of any such claim. The Director may establish procedures, including the payment of a surcharge, to accept an unintentionally delayed claim under this section.

(3) The Director may require a certified copy of the original foreign application, specification, and drawings upon which it is based, a translation if not in the English language, and such other information as the Director considers necessary. Any such certification shall be made by the foreign intellectual property authority in which the foreign application was filed and show the date of the application and of the filing of the specification and other papers.

(c) In like manner and subject to the same conditions and requirements, the right provided in this section may be based upon a subsequent regularly filed application in the same foreign country instead of the first filed foreign application, provided that any foreign application filed prior to such subsequent application has been withdrawn, abandoned, or otherwise disposed of,

without having been laid open to public inspection and without leaving any rights outstanding, and has not served, nor thereafter shall serve, as a basis for claiming a right of priority.

(d) Applications for inventors certificates filed in a foreign country in which applicants have a right to apply, at their discretion, either for a patent or for an inventor's certificate shall be treated in this country in the same manner and have the same effect for purpose of the right of priority under this section as applications for patents, subject to the same conditions and requirements of this section as apply to applications for patents, provided such applicants are entitled to the benefits of the Stockholm Revision of the Paris Convention at the time of such filing.

(e)

(1) An application for patent filed under section 111 (a) or section 363 of this title for an invention disclosed in the manner provided by the first paragraph of section 112 of this title in a provisional application filed under section 111 (b) of this title, by an inventor or inventors named in the provisional application, shall have the same effect, as to such invention, as though filed on the date of the provisional application filed under section 111 (b) of this title, if the application for patent filed under section 111 (a) or section 363 of this title is filed not later than 12 months after the date on which the provisional application was filed and if it contains or is amended to contain a specific reference to the provisional application. No application shall be entitled to the benefit of an earlier filed provisional application under this subsection unless an amendment containing the specific reference to the earlier filed provisional application is submitted at such time during the pendency of the application as required by the Director. The Director may consider the failure to submit such an amendment within that time period as a waiver of any benefit under this subsection. The Director may establish procedures, including the payment of a surcharge, to accept an unintentionally delayed submission of an amendment under this subsection during the pendency of the application.

(2) A provisional application filed under section 111 (b) of this title may not be relied upon in any proceeding in the Patent and Trademark Office unless the fee set forth in subparagraph (A) or (C) of section 41 (a)(1) of this title has been paid.

(3) If the day that is 12 months after the filing date of a provisional application falls on a Saturday, Sunday, or Federal holiday within the District of Columbia, the period of pendency of the provisional application shall be extended to the next succeeding secular or business day.

(f) Applications for plant breeder's rights filed in a WTO member country (or in a foreign UPOV Contracting Party) shall have the same effect for the purpose of the right of priority under subsections (a) through (c) of this section as applications for patents, subject to the same conditions and requirements of this section as apply to applications for patents.

(g) As used in this section—

(1) the term "WTO member country" has the same meaning as the term is defined in section 104 (b)(2) of this title; and

(2) the term "UPOV Contracting Party" means a member of the International Convention for the Protection of New Varieties of Plants.

Editor's note: with respect to "effective filing date" as used in section 102(a)(1)(A), the ACT provides that no right of priority shall be established under section 119 or section 365 of this title, until the Director has caused to be published in the Federal Registry an announcement that both the European Patent Convention treaty states and the nation of Japan have modified their patent laws to provide reciprocity for the terms of 102(a)(1) of this ACT, except as provided under § 119(e) of this Title [See section 10 of the ACT, Applicability, Transitional Provisions].

§ 120. Benefit of earlier filing date in the United States

An application for patent for an invention disclosed in the manner provided by the first paragraph of section 112 of this title in an application previously filed in the United States, or as provided by section 363 of this title, **which names an inventor or joint inventor** ~~which is filed by an inventor or inventors named~~ in the previously filed application shall have the same effect, as to such invention, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application. No application shall be entitled to the benefit of an earlier filed application under this section unless an amendment containing the specific reference to the earlier filed application is submitted at such time during the pendency of the application as required by the Director. The Director may consider the failure to submit such an amendment within that time period as a waiver of any benefit under this section. The Director may establish procedures, including the payment of a surcharge, to accept an unintentionally delayed submission of an amendment under this section.

§ 121. Divisional applications.

If two or more independent and distinct inventions are claimed in one application, the Director may require the application to be restricted to one of the inventions. If the other invention is made the subject of a divisional application which complies with the requirements of section 120 of this title it shall be entitled to the benefit of the filing date of the original application. A patent issuing on an application with respect to which a requirement for restriction under this section has been made, or on an application filed as a result of such a requirement, shall not be used as a reference either in the Patent and Trademark Office or in the courts against a divisional application or against the original application or any patent issued on either of them, if the divisional application is filed before the issuance of the patent on the other application. ~~If a divisional application is directed solely to subject matter described and claimed in the original application as filed, the Director may dispense with signing and execution by the inventor.~~ The validity of a patent shall not be questioned for failure of the Director to require the application to be restricted to one invention.

§ 122. Confidential status of applications; publication of patent applications

(a) Confidentiality.— Except as provided in subsection (b), applications for patents shall be kept in confidence by the Patent and Trademark Office and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the

provisions of an Act of Congress or in such special circumstances as may be determined by the Director.

(b) Publication.—

(1) In general.—

(A) Subject to paragraph (2), each application for a patent shall be published, in accordance with procedures determined by the Director, promptly after the expiration of a period of 18 months from the earliest filing date for which a benefit is sought under this title. At the request of the applicant, an application may be published earlier than the end of such 18-month period.

(B) No information concerning published patent applications shall be made available to the public except as the Director determines.

(C) Notwithstanding any other provision of law, a determination by the Director to release or not to release information concerning a published patent application shall be final and nonreviewable.

(2) Exceptions.— ~~(A)~~ An application shall not be published if that application is—

~~(A)-(i)~~ no longer pending;

~~(B)-(ii)~~ subject to a secrecy order under section 181 of this title;

~~(C)-(iii)~~ a provisional application filed under section 111 (b) of this title;
or

~~(D)-(iv)~~ an application for a design patent filed under chapter 16 of this title.

~~(B)~~

~~(i) If an applicant makes a request upon filing, certifying that the invention disclosed in the application has not and will not be the subject of an application filed in another country, or under a multilateral international agreement, that requires publication of applications 18 months after filing, the application shall not be published as provided in paragraph (1).~~

~~(ii) An applicant may rescind a request made under clause (i) at any time.~~

~~(iii) An applicant who has made a request under clause (i) but who subsequently files, in a foreign country or under a multilateral international agreement specified in clause (i), an application directed to the invention disclosed in the application filed in the Patent and Trademark Office, shall notify the Director of such filing not later than 45 days after the date of the filing of such foreign or international application. A failure of the applicant to provide such notice within the prescribed period shall result in the application being regarded as abandoned, unless it is shown to the~~

~~satisfaction of the Director that the delay in submitting the notice was unintentional.~~

~~(iv) If an applicant rescinds a request made under clause (i) or notifies the Director that an application was filed in a foreign country or under a multilateral international agreement specified in clause (i), the application shall be published in accordance with the provisions of paragraph (1) on or as soon as is practical after the date that is specified in clause (i).~~

~~(v) If an applicant has filed applications in one or more foreign countries, directly or through a multilateral international agreement, and such foreign filed applications corresponding to an application filed in the Patent and Trademark Office or the description of the invention in such foreign filed applications is less extensive than the application or description of the invention in the application filed in the Patent and Trademark Office, the applicant may submit a redacted copy of the application filed in the Patent and Trademark Office eliminating any part or description of the invention in such application that is not also contained in any of the corresponding applications filed in a foreign country. The Director may only publish the redacted copy of the application unless the redacted copy of the application is not received within 16 months after the earliest effective filing date for which a benefit is sought under this title. The provisions of section 154 (d) shall not apply to a claim if the description of the invention published in the redacted application filed under this clause with respect to the claim does not enable a person skilled in the art to make and use the subject matter of the claim.~~

(c) Protest and Pre-Issuance Opposition.— The Director shall establish appropriate procedures to ensure that no protest or other form of pre-issuance opposition to the grant of a patent on an application may be initiated after publication of the application without the express written consent of the applicant.

(d) National Security.— No application for patent shall be published under subsection (b)(1) if the publication or disclosure of such invention would be detrimental to the national security. The Director shall establish appropriate procedures to ensure that such applications are promptly identified and the secrecy of such inventions is maintained in accordance with chapter 17 of this title.

(e) PREISSUANCE SUBMISSIONS BY THIRD PARTIES.—

(1) IN GENERAL.—Any person may submit for consideration and inclusion in the record of a patent application, any patent, published patent application or other publication of potential relevance to the examination of the application, if such submission is made in writing before the earlier of—

(A) the date a notice of allowance under section 151 is mailed in the application for patent; or

(B) either—

(i) six months after the date on which the application for patent is published under section 122, or

(ii) the date of the first rejection under section 132 of any claim by the examiner during the examination of the application for patent, whichever occurs later.

(2) OTHER REQUIREMENTS.—Any submission under paragraph (1) shall—

(A) set forth a concise description of the asserted relevance of each submitted document;

(B) be accompanied by such fee as the Director may prescribe; and

(C) include a statement by the submitter affirming that the submission was made in compliance with this section.

Editor's note: Pre-issuance submissions under §122(e) may begin 1 year after the day after enactment.

§ 123. Limitations on continuation applications

The Director may by regulation limit the circumstances under which an application for patent, other than a divisional application that meets the requirements for filing under section 121, may be entitled to the benefit under section 120 of the filing date of a prior-filed application. No such regulation may deny applicants an adequate opportunity to obtain claims for any invention disclosed in an application for patent.

Editor's note: Section 123 (above) appears as an amendment in the Jun 8 bill, but is dropped in the subsequent 26 Jul and Coalition Print language. No regulation of continuation practice or "copy claim" practice is currently envisaged in the ACT.

§ 134. Appeal to the Board of Patent Appeals ~~and interferences~~

(a) Patent Applicant.— An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Patent Appeals ~~and interferences~~, having once paid the fee for such appeal.

(b) Patent Owner.— A patent owner in any reexamination proceeding may appeal from the final rejection of any claim by the primary examiner to the Board of Patent Appeals ~~and interferences~~, having once paid the fee for such appeal.

(c) Third-Party.— A third-party requester in an inter partes proceeding may appeal to the Board of Patent Appeals ~~and interferences~~ from the final decision of the primary examiner favorable to the patentability of any original or proposed amended or new claim of a patent, having once paid the fee for such appeal.

§ 135. Inventor's Rights Contest Interferences

(a) DISPUTE OVER RIGHT TO PATENT.—

(1) INSTITUTION OF INVENTOR'S RIGHTS CONTEST.—Whenever patents or applications for patent naming different individuals as the inventor are deemed by the Director to interfere because of a dispute over the right to patent under section 101, the Director shall institute an inventor's rights contest for the purpose of determining the right to patent.

(2) DETERMINATION BY BOARD OF PATENT APPEALS.—The Board of Patent Appeals—

(A) shall determine the question of the right to patent;

(B) in appropriate circumstances, may correct the naming of the inventor in any application or patent at issue; and

(C) shall issue a final decision on the right to patent.

(3) EFFECT OF FINAL DECISION.—The final decision of the Board of Patent Appeals under paragraph (2), if adverse to the claim of an applicant, shall constitute the final refusal by the Patent and Trademark Office on the claims involved. The Director may issue a patent to an applicant who is adjudged to have the right to patent. The final decision of the Board, if adverse to a patentee, shall, if no appeal or other review of the decision has been or can be taken or had, constitute cancellation of the claims involved in the patent, and notice of such cancellation shall be endorsed on copies of the patent distributed after such cancellation by the Patent and Trademark Office.

~~(a) Whenever an application is made for a patent which, in the opinion of the Director, would interfere with any pending application, or with any unexpired patent, an interference may be declared and the Director shall give notice of such declaration to the applicants, or applicant and patentee, as the case may be. The Board of Patent Appeals and Interferences shall determine questions of priority of the inventions and may determine questions of patentability. Any final decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent and Trademark Office of the claims involved, and the Director may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute cancellation of the claims involved in the patent, and notice of such cancellation shall be endorsed on copies of the patent distributed after such cancellation by the Patent and Trademark Office.~~

(b)

(1) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

(2) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an application published under section 122 (b) of this title may be made in an application filed after the application is published only if the claim is made before 1 year after the date on which the application is published.

(c)

(1) Any agreement or understanding between parties to an **inventor's rights contest interference**, including any collateral agreements referred to therein, made in connection with or in contemplation of the termination of the **inventor's rights contest interference**, shall be in writing and a true copy thereof filed in the Patent and Trademark Office before the termination of the **inventor's rights contest interference** as between the said parties to the agreement or understanding. If any party filing the same so requests, the copy shall be kept separate from the file of the inventor's rights contest, and made available only to Government agencies on written request, or to any person on a showing of good cause. Failure to file the copy of such agreement or understanding shall render permanently unenforceable such agreement or understanding and any patent of such parties involved in the **inventor's rights contest interference** or any patent subsequently issued on any application of such parties so involved. The Director may, however, on a showing of good cause for failure to file within the time prescribed, permit the filing of the agreement or understanding during the six-month period subsequent to the termination of the **inventor's rights contest interference** as between the parties to the agreement or understanding.

(2) The Director shall give notice to the parties or their attorneys of record, a reasonable time prior to said termination, of the filing requirement of this section. If the Director gives such notice at a later time, irrespective of the right to file such agreement or understanding within the six-month period on a showing of good cause, the parties may file such agreement or understanding within sixty days of the receipt of such notice.

(3) Any discretionary action of the Director under this subsection shall be reviewable under section 10 of the Administrative Procedure Act.

(d) Parties to a patent **inventor's rights contest interference**, within such time as may be specified by the Director by regulation, may determine such contest or any aspect thereof by arbitration. Such arbitration shall be governed by the provisions of title 9 to the extent such title is not inconsistent with this section. The parties shall give notice of any arbitration award to the Director, and such award shall, as between the parties to the arbitration, be dispositive of the issues to which it relates. The arbitration award shall be unenforceable until such notice is given. Nothing in this subsection shall preclude the Director from determining patentability of the invention involved in the **inventor's rights contest interference**.

§ 136. Duty of candor: patents and applications for patent

Editor's Note: All amendments made with respect to the section of this ACT titled "Duty of Candor" shall take place immediately for patents issued on or after the day of enactment, and for all actions brought on or before said day involving a patent issued before said day, upon consent of the patent owner and upon referral by a court.

(a) DUTY.—The Director shall by regulation impose a duty of candor and good faith on individuals associated with the filing and prosecution of an application for patent and on individuals assisting a patent owner in proceedings before the Office involving a patent. The duty shall require each such individual to timely disclose information known to that

individual to be material to any issue before the Office in connection with the application or patent, and to not materially misrepresent information. The duty may further address the types of information for which disclosure is required and the standards upon which a finding of misrepresentation or concealment on the part of such individuals could be based. Any allegation of any type of violation of the duty of candor and good faith under this subsection shall be governed exclusively by this chapter.

(b) MISCONDUCT DEFINED VIOLATION.—Any individual ~~who is subject to the duty of candor and good faith under subsection (a) and who, with the intent to deceive or mislead, knowingly fails to disclose material information or knowingly and materially misrepresents information~~ has engaged in misconduct under this section only if ~~the Director or a court under subsection (d), as the case may be, finds,~~ by clear and convincing evidence, findings are made that—

- (1) the individual ~~knowingly~~ failed to disclose information or ~~knowingly~~ misrepresented information;
- (2) the information not disclosed was material or, in the case of a misrepresentation, the misrepresentation was material;
- (3) the individual had knowledge of the materiality of the information not disclosed or, in the case of a misrepresentation, of the misrepresentation and materiality of the misrepresentation; and
- (4) the individual's ~~intent was to~~ ~~had the intent to~~ deceive or mislead.

(c) LIMITS ON THE ADJUDICATION OF MISCONDUCT ISSUES—ADJUDICATION BY THE OFFICE.—

(1) FORA PRECLUDED FROM MISCONDUCT DETERMINATIONS AND ADJUDICATIONS ~~OTHER FORA PRECLUDED.~~—No court or Federal department or agency other than the Office, and no other Federal or State governmental entity, may investigate or make a determination or an adjudication with respect to an alleged violation of the duty of candor and good faith under subsection (a) or with respect to an alleged fraud, inequitable conduct, or other misconduct in any proceeding before the Office involving a patent or in connection with the filing or examination of an application for patent, except as expressly permitted in this section.

(2) ~~EXCEPTION REGARDING PENDING APPLICATIONS AUTHORITY OF DIRECTOR.~~—Nothing in this subsection shall limit the authority of the Director to enforce regulations concerning pending applications for patent, including regulations relating to misconduct.

(3) LIMITATION ON DEFENSES TO ENFORCEMENT OF PATENT.— No defense of invalidity of a patent or other defense to the enforcement of a patent may be based in whole or in part upon a violation of the duty of candor and good faith under subsection (a) or on any fraud, inequitable conduct, or other misconduct, except as expressly permitted in this section.

(4) REFERRAL BY COURT.—In any matter before a court involving an issue of validity or infringement of a patent, if the court determines that an issue of

possible misconduct under subsection (b) exists, the court shall refer the matter to the Office for investigation and sanctions under this section. If such referral is made, the matter shall be resolved as provided in this section.

(d) UNENFORCEABILITY ACTION.—

(1) IN GENERAL.—A patent may be held unenforceable if a court determines, pursuant to a pleading permitted under paragraph (2), that—

(A) misconduct under subsection (b) has occurred and constitutes fraud by reason of reliance by the Office on the misconduct which has resulted in the issuance of, or a certificate affirming patentability of, one or more invalid claims in a patent; and

(B) the fraud is attributable to the patent owner.

(2) REQUIRED MOTION TO PLEAD UNENFORCEABILITY.—The defense of unenforceability described in paragraph (1) may be pled in an action before a court only upon a motion to amend the pleadings in the action. The court shall not grant the motion unless—

(A) the validity of one or more claims in the patent is at issue in the action;

(B) the court has previously entered a judgment in the action that a claim in the patent is invalid;

(C) the motion to amend the pleadings is brought by a party to the action adverse to the patent owner within 3 months after a judgment is entered by the court invalidating the claim; and

(D) the motion sets out with particularity a substantial basis for findings that—

(i) because of the reliance of the Office on the misconduct, fraud took place in a proceeding before the Office involving the patent or in connection with the filing or examination of the application for patent, and as a result at least 1 claim in the patent invalidated in the action was issued as a result of the reliance on the misconduct; and

(ii) the alleged fraud is attributable to the patent owner.

(3) REQUIRED FINDINGS FOR UNENFORCEABILITY.—

(A) LIABILITY OF PATENT OWNER.—In determining the unenforceability of a patent, no misconduct under subsection (b) by an individual registered to practice before the Office and acting in a representative capacity before the Office in a proceeding before the Office involving the patent or in connection with the filing or examination of the application for patent shall be attributable to the patent owner unless the patent owner, or another individual who—

(i) is subject to the duty of candor and good faith with respect to the patent,

(ii) is not registered to practice before the Office, and
(iii) was acting on the patent owner's behalf,
is determined to have violated the duty of candor and good faith.

(B) RELIANCE OF THE PATENT EXAMINER.—No misconduct may be determined to constitute fraud sufficient to support a finding that a patent is unenforceable without clear and convincing evidence of reliance of the Office on the alleged misconduct, resulting in the issuance of a claim invalidated by the court because a competent patent examiner either—

(i) would not have issued the invalidated claim, acting reasonably, in the absence of the misconduct; or

(ii) based upon the prosecution history as a whole objectively considered, would have done so based upon in whole or in part on account of the misconduct.

(4) PRESUMPTION OF ATTRIBUTION TO THE PATENT OWNER.—For purposes of applying subsection 3(A), it shall be presumed that a decision to take action or a decision not to take an action in connection with a matter before the Office was undertaken with the knowledge and consent of the patent owner, if undertaken by an individual who—

(A) was registered to practice before the Office and

(B) was determined to have engaged in misconduct under subsection (b) on account of such action taken or such failure to take action.

(e) REFERRAL TO OFFICE INVESTIGATION OF MISCONDUCT.—

(1) IN GENERAL.—The Director shall establish a special office to receive referrals made under subsection (c)(4). with authority to investigate possible violations of the duty of candor and good faith, including possible misconduct, in a proceeding before the Office involving a patent or in connection with the filing or examination of an application for patent, in cases in which such matters are referred to the Office for investigation under subsection (c)(4). The special office shall, following such referral, commence an investigation into possible violations of the duty . After such an investigation is begun, any subsequent decision to maintain the investigation or abandon the investigation may be made only by the Director, and such decision may not be appealed or reviewed.—The special office, following a referral and after such investigation of the matter as the Director determines is appropriate, shall report to the Director whether probable cause exists to believe that an individual subject to the duty under subsection (a) may have engaged in misconduct under subsection (b). If such probable cause exists, the Director shall—

(1) take such action, if any, that the Director determines is appropriate under section 32; and

(2) if a violation of section 1001(a) of title 18 may have ~~occurred~~ taken place, refer the matter to the Attorney General for appropriate action.

(2) PROCEDURES.—

(A) SUBPOENAS.— During the period in which a misconduct investigation is conducted under paragraph (1), the matter shall be a contested case in the Office and the Director may seek evidence or other information through subpoenas under section 24.

(B) NOTICE; SUBJECT PARTIES.— The Director shall provide written notice to the patent owner of the commencement of the investigation and may provide such written notice to persons who were owners of the patent or application for patent (or persons to whom the patent or application for patent was subject to an obligation of assignment) at the time the conduct that is the subject of the investigation occurred. Any person receiving written notice under this subparagraph shall be designated as a subject party. The Director shall provide written notice under this subparagraph of an investigation before seeking any evidence under section 24, but otherwise at such time as the Director shall determine. Upon providing such written notice to the subject parties, the Director shall publish a notice of the commencement of the investigation in the Federal Register.

(C) OBTAINING EVIDENCE.— Upon request of a subject party, the Director shall determine the manner in which to allow a subject party to obtain evidence of potential relevance, including by authorizing the subject party to seek subpoenas under section 24.

(D) PRELIMINARY DETERMINATION.— The Director, at the earliest practicable time after the date on which notice of the investigation is published under subparagraph (B), shall conclude the investigation and make a preliminary determination on the issues under investigation. The Director shall, within 45 days after an investigation is begun, establish a target date for rendering a preliminary determination.

(E) CONSULTATION WITH OTHER DEPARTMENTS AND AGENCIES.— During the course of each investigation under this section and section 137, the Director may consult with, seek advice and information from, and otherwise obtain assistance from the Attorney General, the Federal Trade Commission, the International Trade Commission, the Securities and Exchange Commission, and the heads of such other departments and agencies as the Director considers appropriate.

(3) NOTICE OF DETERMINATION.—

(A) IF NO MISCONDUCT FOUND.— If the Director determines in an investigation under paragraph (2) that there is no basis for concluding that misconduct under subsection (b) has occurred, the Director shall provide written notice of such determination to each of the subject parties not later than 1 month after the conclusion of the investigation. A determination of the Director under this subparagraph is final and may not be appealed.

~~(B) IF MISCONDUCT MAY HAVE OCCURRED. — If the Director makes a preliminary determination in an investigation under paragraph (2) that misconduct under subsection (b) may have occurred, the Director shall provide written notice of the preliminary determination to each of the subject parties not later than 1 month after the conclusion of the investigation. Such written notice shall provide a description with particularity of the separate acts alleged to constitute such possible misconduct. The Director shall afford the subject parties an opportunity to respond to the preliminary determination and a period of time within which to reach a settlement of the issue before taking any further action.~~

~~(4) FINAL DETERMINATION; APPEAL TO BOARD. —~~

~~(A) IN GENERAL. — If a matter relating to possible misconduct is not settled under paragraph (3), the preliminary determination shall become final and may not be appealed unless 1 or more of the subject parties contests the preliminary determination by requesting a hearing on the matter, within 2 months after the end of the settlement period provided under paragraph (3)(B), before a panel of the Board of Patent Appeals.~~

~~(B) HEARING. — If a hearing is timely requested under subparagraph (A), the hearing shall provide the Director and the patent owner an opportunity to present evidence and arguments.~~

~~(C) DETERMINATION OF PANEL. — The panel shall, not later than 1 year after the date of the request by 1 or more of the subject parties for a hearing under subparagraph (B), issue a written determination containing findings of facts and conclusions of law on the matters before it. If the written determination by the panel concludes that one or more alleged violations of the duty of candor and good faith do not constitute acts of misconduct, then the determination is final with respect to such issues of possible misconduct and may not be appealed, and no penalty shall be imposed with respect to such issues. If the written determination by the panel concludes that one or more alleged violations of the duty of candor and good faith do constitute acts of misconduct, then the decision of the panel shall represent a final determination of the Office on the matters involved.~~

~~(5) NOTICE OF FINAL DETERMINATION. — If a matter of possible misconduct is not settled or otherwise terminated following the opportunity for settlement and hearing under paragraphs (3) and (4), the Director shall notify the subject parties in writing of the final determination on the matter under paragraph (4), setting forth —~~

~~(A) the factual findings of the investigation;~~

~~(B) the legal conclusions reached;~~

~~(C) a description of each separate act of misconduct determined to have taken place;~~

~~(D) the amount of any civil monetary penalty imposed against the subject parties under paragraph (6); and~~

~~(E) a deadline for payment of any penalty imposed, which may not be earlier than 6 months after the date on which the notice is provided to the patent owner under this paragraph of the final determination.~~

~~(6) PENALTY AMOUNT.—~~

~~(A) IN GENERAL.— Subject to the limitations of this paragraph, the Director may impose civil monetary penalties on each subject party for each act of misconduct of which notice is given under paragraph (5), in amounts that the Director considers sufficient in the Director's discretion to act as a deterrent to future such violations of the duty of candor and good faith under this section, taking into account the totality of the circumstances in each individual case.~~

~~(B) LIMITATION ON AMOUNT.— The amount of a civil penalty imposed under subparagraph (A) may not exceed \$1,000,000 for each separate act of misconduct, except that in a case in which the violation of the duty of candor and good faith is found to be the result of fraudulent or other particularly egregious misconduct, the penalty imposed may not exceed \$5,000,000 for such act of misconduct. In an exceptional case, the Director may impose an additional penalty in an amount equal to the costs incurred by the Director in conducting the investigation.~~

~~(C) LIMITATION ON PARTIES ON WHICH PENALTIES MAY BE IMPOSED.— No penalty based upon an act of misconduct may be imposed under subparagraph (A) on a subject party other than the patent owner unless the subject party was the owner of a claimed invention in the patent or application for patent (or entitled to an assignment thereof), at the time the act of misconduct giving rise to the penalty occurred. Unless otherwise specified in the final determination, subject parties shall be jointly and severally liable for any penalty imposed.~~

~~(7) TOLLING OF PENALTY; FAILURE OF TIMELY PAYMENT.— The deadline for payment of any penalty imposed shall be tolled during the pendency of an appeal brought by a subject party under paragraph (8). If the patent owner fails to make timely payment of any penalty imposed on the patent owner, including any penalty for which the patent owner is jointly liable, before the expiration of the deadline provided under paragraph (5)(E), the failure to pay the penalty constitutes a disclaimer of all enforceable rights in each patent involved in the violation of the duty of candor and good faith for which the penalty was imposed.~~

~~(8) APPEAL.— A subject party dissatisfied with the final determination of the Director under this section may, unless the penalty has been paid pursuant to the final determination, appeal the determination under sections 141 through 144.~~

~~**(f) OTHER ACTIONS NOT SUBJECT TO PREEMPTION.—**~~

~~**(1) IN GENERAL.— Nothing in this section shall in any manner operate to—**~~

~~**(1)(A) prevent or otherwise obstruct a criminal investigation or an investigation by the Attorney General of any provision of the antitrust laws, or preempt any enforcement action resulting therefrom or supersede**~~

~~any criminal law, or any penalty imposed pursuant thereto, in connection with any matter involving a patent or application for patent;~~

~~(2)(B) limit the ability of the courts of any State or the District of Columbia to investigate and make determinations with respect to issues of attorney malpractice and impose sanctions on an attorney for malpractice; or~~

~~(3)(C) limit the ability of any entity before which an individual is registered or otherwise entitled to practice a profession to investigate and sanction such individual based upon professional misconduct.~~

~~(2) DEFINITION.—For purposes of paragraph (1), the term ‘antitrust laws’ has the meaning given that term in the first section of the Clayton Act and includes section 5 of the Federal Trade Commission Act to the extent that section relates to unfair methods of competition.~~

~~(g) ADDITIONAL REMEDIES AVAILABLE BASED UPON PRIOR MISCONDUCT ADJUDICATION.—~~

~~(1) FURTHER REMEDIES.—If a final, nonappealable adjudication of misconduct based upon a pleading or an action permitted under this section has been made, it may be used as a basis for pursuit of further remedies under any Federal or State law, including common law.~~

~~(2) EXCEPTION.—Nothing in paragraph (1) shall authorize any pleading or holding of unenforceability of a patent that is not expressly permitted under subsection (d).~~

~~(g) ACTIONS BASED UPON PRIOR MISCONDUCT ADJUDICATION.—If a final, nonappealable adjudication of misconduct has been made based upon a criminal action not subject to preemption under subsection (f)(1), a fraud pleading described in subsection (d), or a misconduct proceeding instituted pursuant to a referral described in subsection (e)(1), such adjudication of misconduct may be used as a basis for pursuing further remedies under any Federal or State law, including common law, except that nothing in this subsection shall authorize any investigation or determination of misconduct that is otherwise preempted under this section.~~

§ 137. Duty of candor: parties adverse to a patent or application

(a) DUTY.—The Director shall prescribe by regulation a duty of candor and good faith applicable to individuals who are parties adverse to a patent or application for patent in contested cases before the Office. The duty shall apply to individuals associated with such a proceeding on behalf of a party adverse to the patent or application. Each such individual shall timely disclose information known to that individual to be material to issues raised or responded to by the adverse party on whose behalf the individual is involved and shall not materially misrepresent information.

(b) MISCONDUCT.—Misconduct under this section shall be defined with respect to individuals described in subsection (a) in the same manner as that provided in section 136(b) with respect to individuals under that section. The Director may conduct an investigation of possible misconduct by an individual based upon a violation of the duty

~~described in subsection (a) in the manner provided in section 136(e). except that the written notice described in section 136(e)(2)(B) shall be given by the Director to each party on whose behalf an individual is acting who is being investigated for possible violation of the duty of candor and good faith under this section. The persons receiving such written notice shall be the subject parties of the investigation. If, on the basis of an investigation the Director determines that there is a basis for concluding that a violation of the duty that amounts to misconduct may have occurred, the Director shall provide written notice of the preliminary determination to each subject party and shall afford the subject party an opportunity to reach a settlement of the issue before taking any further action.~~

~~(c) PENALTIES. — If an issue of misconduct arising from a possible violation of the duty of candor and good faith under this section is not settled or otherwise terminated following the opportunity for settlement and hearing described in subsection (b), the Director may impose a civil monetary penalty against the subject parties. The procedures described in section 136(e) shall be followed in imposing a civil penalty under this subsection, except that the maximum civil monetary penalty that may be imposed on a subject party under this section may not exceed \$500,000. .~~

§ 141. Appeal to Court of Appeals for the Federal Circuit

An applicant dissatisfied with the decision in an appeal to the Board of Patent Appeals **and interferences** under section 134 of this title may appeal the decision to the United States Court of Appeals for the Federal Circuit. By filing such an appeal the applicant waives his or her right to proceed under section 145 of this title. A patent owner, or a third-party requester in an inter partes reexamination proceeding, who is in any reexamination proceeding dissatisfied with the final decision in an appeal to the Board of Patent Appeals **and interferences** under section 134 may appeal the decision only to the United States Court of Appeals for the Federal Circuit. A party to an **inventor's right's contest interference** dissatisfied with the decision of the Board of Patent Appeals **and interferences** on the **inventor's rights contest interference** may appeal the decision to the United States Court of Appeals for the Federal Circuit, but such appeal shall be dismissed if any adverse party to such **inventor's rights contest interference**, within twenty days after the appellant has filed notice of appeal in accordance with section 142 of this title, files notice with the Director that the party elects to have all further proceedings conducted as provided in section 146 of this title. If the appellant does not, within thirty days after the filing of such notice by the adverse party, file a civil action under section 146, the decision appealed from shall govern the further proceedings in the case.

§ 145. Civil action to obtain patent

An applicant dissatisfied with the decision of the Board of Patent Appeals **and interferences** in an appeal under section 134 (a) of this title may, unless appeal has been taken to the United States Court of Appeals for the Federal Circuit, have remedy by civil action against the Director in the United States District Court for the District of Columbia if commenced within such time after such decision, not less than sixty days, as the Director appoints. The court may adjudge that such applicant is entitled to receive a patent for his invention, as specified in any of his claims involved in the decision of the Board of Patent Appeals **and interferences**, as the facts in the case may appear and such adjudication

shall authorize the Director to issue such patent on compliance with the requirements of law. All the expenses of the proceedings shall be paid by the applicant.

Editor's note: Although not stated, this provision should apply also to appeals arising out of section 334.

§ 146. Civil action in case of inventor's rights contest interference

Any party to an inventor's rights contest interference dissatisfied with the decision of the Board of Patent Appeals ~~and interferences~~ on the inventor's rights contest interference, may have remedy by civil action, if commenced within such time after such decision, not less than sixty days, as the Director appoints or as provided in section 141 of this title, unless he has appealed to the United States Court of Appeals for the Federal Circuit, and such appeal is pending or has been decided. In such suits the record in the Patent and Trademark Office shall be admitted on motion of either party upon the terms and conditions as to costs, expenses, and the further cross-examination of the witnesses as the court imposes, without prejudice to the right of the parties to take further testimony. The testimony and exhibits of the record in the Patent and Trademark Office when admitted shall have the same effect as if originally taken and produced in the suit.

Such suit may be instituted against the party in interest as shown by the records of the Patent and Trademark Office at the time of the decision complained of, but any party in interest may become a party to the action. If there be adverse parties residing in a plurality of districts not embraced within the same state, or an adverse party residing in a foreign country, the United States District Court for the District of Columbia shall have jurisdiction and may issue summons against the adverse parties directed to the marshal of any district in which any adverse party resides. Summons against adverse parties residing in foreign countries may be served by publication or otherwise as the court directs. The Director shall not be a necessary party but he shall be notified of the filing of the suit by the clerk of the court in which it is filed and shall have the right to intervene. Judgment of the court in favor of the right of an applicant to a patent shall authorize the Director to issue such patent on the filing in the Patent and Trademark Office of a certified copy of the judgment and on compliance with the requirements of law.

§ 154. Contents and term of patent; provisional rights

(a) In General.—

(1) Contents.— Every patent shall contain a short title of the invention and a grant to the patentee, his heirs or assigns, of the right to exclude others from making, using, offering for sale, or selling the invention throughout the United States or importing the invention into the United States, and, if the invention is a process, of the right to exclude others from using, offering for sale or selling throughout the United States, or importing into the United States, products made by that process, referring to the specification for the particulars thereof.

(2) Term.— Subject to the payment of fees under this title, such grant shall be for a term beginning on the date on which the patent issues and ending 20 years from the date on which the application for the patent was filed in the United States or, if the application contains a specific reference to an earlier filed application or applications

under section 120, 121, or 365 (c) of this title, from the date on which the earliest such application was filed.

(3) Priority.— Priority under section 119, 365 (a), or 365 (b) of this title shall not be taken into account in determining the term of a patent.

(4) Specification and drawing.— A copy of the specification and drawing shall be annexed to the patent and be a part of such patent.

(b) Adjustment of Patent Term.—

(1) Patent term guarantees.—

(A) Guarantee of prompt patent and trademark office responses.— Subject to the limitations under paragraph (2), if the issue of an original patent is delayed due to the failure of the Patent and Trademark Office to—

(i) provide at least one of the notifications under section 132 of this title or a notice of allowance under section 151 of this title not later than 14 months after—

(I) the date on which an application was filed under section 111 (a) of this title; or

(II) the date on which an international application fulfilled the requirements of section 371 of this title;

(ii) respond to a reply under section 132, or to an appeal taken under section 134, within 4 months after the date on which the reply was filed or the appeal was taken;

(iii) act on an application within 4 months after the date of a decision by the Board of Patent Appeals ~~and interferences~~ under section 134 or 135 or a decision by a Federal court under section 141, 145, or 146 in a case in which allowable claims remain in the application; or

(iv) issue a patent within 4 months after the date on which the issue fee was paid under section 151 and all outstanding requirements were satisfied,

the term of the patent shall be extended 1 day for each day after the end of the period specified in clause (i), (ii), (iii), or (iv), as the case may be, until the action described in such clause is taken.

(B) Guarantee of no more than 3-year application pendency.— Subject to the limitations under paragraph (2), if the issue of an original patent is delayed due to the failure of the United States Patent and Trademark Office to issue a patent within 3 years after the actual filing date of the application in the United States, not including—

(i) any time consumed by continued examination of the application requested by the applicant under section 132 (b);

(ii) any time consumed by a proceeding under section 135 (a), any time consumed by the imposition of an order under section 181, or any time

consumed by appellate review by the Board of Patent Appeals ~~and interferences~~ or by a Federal court; or

(iii) any delay in the processing of the application by the United States Patent and Trademark Office requested by the applicant except as permitted by paragraph (3)(C),

the term of the patent shall be extended 1 day for each day after the end of that 3-year period until the patent is issued.

(C) Guarantee or adjustments for delays due to inventor's rights contests ~~interferences~~, secrecy orders, and appeals.— Subject to the limitations under paragraph (2), if the issue of an original patent is delayed due to—

(i) a proceeding under section 135 (a);

(ii) the imposition of an order under section 181; or

(iii) appellate review by the Board of Patent Appeals ~~and interferences~~ or by a Federal court in a case in which the patent was issued under a decision in the review reversing an adverse determination of patentability,

the term of the patent shall be extended 1 day for each day of the pendency of the proceeding, order, or review, as the case may be.

(2) Limitations.—

(A) In general.— To the extent that periods of delay attributable to grounds specified in paragraph (1) overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.

(B) Disclaimed term.— No patent the term of which has been disclaimed beyond a specified date may be adjusted under this section beyond the expiration date specified in the disclaimer.

(C) Reduction of period of adjustment.—

(i) The period of adjustment of the term of a patent under paragraph (1) shall be reduced by a period equal to the period of time during which the applicant failed to engage in reasonable efforts to conclude prosecution of the application.

(ii) With respect to adjustments to patent term made under the authority of paragraph (1)(B), an applicant shall be deemed to have failed to engage in reasonable efforts to conclude processing or examination of an application for the cumulative total of any periods of time in excess of 3 months that are taken to respond to a notice from the Office making any rejection, objection, argument, or other request, measuring such 3-month period from the date the notice was given or mailed to the applicant.

(iii) The Director shall prescribe regulations establishing the circumstances that constitute a failure of an applicant to engage in reasonable efforts to conclude processing or examination of an application.

(3) Procedures for patent term adjustment determination.—

(A) The Director shall prescribe regulations establishing procedures for the application for and determination of patent term adjustments under this subsection.

(B) Under the procedures established under subparagraph (A), the Director shall—

(i) make a determination of the period of any patent term adjustment under this subsection, and shall transmit a notice of that determination with the written notice of allowance of the application under section 151; and

(ii) provide the applicant one opportunity to request reconsideration of any patent term adjustment determination made by the Director.

(C) The Director shall reinstate all or part of the cumulative period of time of an adjustment under paragraph (2)(C) if the applicant, prior to the issuance of the patent, makes a showing that, in spite of all due care, the applicant was unable to respond within the 3-month period, but in no case shall more than three additional months for each such response beyond the original 3-month period be reinstated.

(D) The Director shall proceed to grant the patent after completion of the Director's determination of a patent term adjustment under the procedures established under this subsection, notwithstanding any appeal taken by the applicant of such determination.

(4) Appeal of patent term adjustment determination.—

(A) An applicant dissatisfied with a determination made by the Director under paragraph (3) shall have remedy by a civil action against the Director filed in the United States District Court for the District of Columbia within 180 days after the grant of the patent. Chapter 7 of title 5 shall apply to such action. Any final judgment resulting in a change to the period of adjustment of the patent term shall be served on the Director, and the Director shall thereafter alter the term of the patent to reflect such change.

(B) The determination of a patent term adjustment under this subsection shall not be subject to appeal or challenge by a third party prior to the grant of the patent.

(c) Continuation.—

(1) Determination.— The term of a patent that is in force on or that results from an application filed before the date that is 6 months after the date of the enactment of the

Uruguay Round Agreements Act shall be the greater of the 20-year term as provided in subsection (a), or 17 years from grant, subject to any terminal disclaimers.

(2) Remedies.— The remedies of sections 283, 284, and 285 of this title shall not apply to acts which—

(A) were commenced or for which substantial investment was made before the date that is 6 months after the date of the enactment of the Uruguay Round Agreements Act; and

(B) became infringing by reason of paragraph (1).

(3) Remuneration.— The acts referred to in paragraph (2) may be continued only upon the payment of an equitable remuneration to the patentee that is determined in an action brought under chapter 28 and chapter 29 (other than those provisions excluded by paragraph (2)) of this title.

(d) Provisional Rights.—

(1) In general.— In addition to other rights provided by this section, a patent shall include the right to obtain a reasonable royalty from any person who, during the period beginning on the date of publication of the application for such patent under section 122 (b), or in the case of an international application filed under the treaty defined in section 351 (a) designating the United States under Article 21(2)(a) of such treaty, the date of publication of the application, and ending on the date the patent is issued—

(A)

(i) makes, uses, offers for sale, or sells in the United States the invention as claimed in the published patent application or imports such an invention into the United States; or

(ii) if the invention as claimed in the published patent application is a process, uses, offers for sale, or sells in the United States or imports into the United States products made by that process as claimed in the published patent application; and

(B) had actual notice of the published patent application and, in a case in which the right arising under this paragraph is based upon an international application designating the United States that is published in a language other than English, had a translation of the international application into the English language.

(2) Right based on substantially identical inventions.— The right under paragraph (1) to obtain a reasonable royalty shall not be available under this subsection unless the invention as claimed in the patent is substantially identical to the invention as claimed in the published patent application.

(3) Time limitation on obtaining a reasonable royalty.— The right under paragraph (1) to obtain a reasonable royalty shall be available only in an action brought not later than 6 years after the patent is issued. The right under paragraph (1) to obtain a reasonable royalty shall not be affected by the duration of the period described in paragraph (1).

(4) Requirements for international applications.—

(A) Effective date.— The right under paragraph (1) to obtain a reasonable royalty based upon the publication under the treaty defined in section 351(a) of an international application designating the United States shall commence on the date of publication under the treaty of the international application, or, if the publication under the treaty of the international application is in a language other than English, on the date on which the Patent and Trademark Office receives a translation of the publication in the English language.

(B) Copies.— The Director may require the applicant to provide a copy of the international application and a translation thereof.

§ 156 Extension of patent term

(g) For purposes of this section, the term “regulatory review period” has the following meanings:

(1)

(A) In the case of a product which is a new drug, antibiotic drug, or human biological product, the term means the period described in subparagraph (B) to which the limitation described in paragraph (6) applies.

(B) The regulatory review period for a new drug, antibiotic drug, or human biological product is the sum of —

(i) the period beginning on the date an exemption under subsection (i) of section 505 or subsection (d) of section 507 became effective for the approved product and ending on the date an application was initially submitted for such drug product under section 351, 505, or 507, and

(ii) the period beginning on the date the application was initially submitted for the approved product under section 351, subsection (b) of section 505, or section 507 and ending on the date such application was approved under such section.

(2)

(A) In the case of a product which is a food additive or color additive, the term means the period described in subparagraph (B) to which the limitation described in paragraph (6) applies.

(B) The regulatory review period for a food or color additive is the sum of —

(i) the period beginning on the date a major health or environmental effects test on the additive was initiated and ending on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and

(ii) the period beginning on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and ending on the date such regulation became effective or, if objections were filed to such regulation, ending on the date such objections were

resolved and commercial marketing was permitted or, if commercial marketing was permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings were finally resolved and commercial marketing was permitted.

(3)

(A) In the case of a product which is a medical device, the term means the period described in subparagraph (B) to which the limitation described in paragraph (6) applies.

(B) The regulatory review period for a medical device is the sum of —

(i) the period beginning on the date a clinical investigation on humans involving the device was begun and ending on the date an application was initially submitted with respect to the device under section 515, and

(ii) the period beginning on the date an application was initially submitted with respect to the device under section 515 and ending on the date such application was approved under such Act or the period beginning on the date a notice of completion of a product development protocol was initially submitted under section 515(f)(5) and ending on the date the protocol was declared completed under section 515(f)(6).

(4)

(A) In the case of a product which is a new animal drug, the term means the period described in subparagraph (B) to which the limitation described in paragraph (6) applies.

(B) The regulatory review period for a new animal drug product is the sum of —

(i) the period beginning on the earlier of the date a major health or environmental effects test on the drug was initiated or the date an exemption under subsection (j) of section 512 became effective for the approved new animal drug product and ending on the date an application was initially submitted for such animal drug product under section 512, and

(ii) the period beginning on the date the application was initially submitted for the approved animal drug product under subsection (b) of section 512 and ending on the date such application was approved under such section.

(5)

(A) In the case of a product which is a veterinary biological product, the term means the period described in subparagraph (B) to which the limitation described in paragraph (6) applies.

(B) The regulatory period for a veterinary biological product is the sum of —

- (i) the period beginning on the date the authority to prepare an experimental biological product under the Virus- Serum-Toxin Act became effective and ending on the date an application for a license was submitted under the Virus-Serum-Toxin Act, and
 - (ii) the period beginning on the date an application for a license was initially submitted for approval under the Virus-Serum-Toxin Act and ending on the date such license was issued.
- (6) A period determined under any of the preceding paragraphs is subject to the following limitations:
- (A) If the patent involved was issued after the date of the enactment of this section, the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.
 - (B) If the patent involved was issued before the date of the enactment of this section and —
 - (i) no request for an exemption described in paragraph (1)(B) or (4)(B) was submitted and no request for the authority described in paragraph (5)(B) was submitted,
 - (ii) no major health or environment effects test described in paragraph (2)(B) or (4)(B) was initiated and no petition for a regulation or application for registration described in such paragraph was submitted, or
 - (iii) no clinical investigation described in paragraph (3) was begun or product development protocol described in such paragraph was submitted, before such date for the approved product the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.
 - (C) If the patent involved was issued before the date of the enactment of this section and if an action described in subparagraph (B) was taken before the date of enactment of this section with respect to the approved product and the commercial marketing or use of the product has not been approved before such date, the period of extension determined on the basis of the regulatory review period determined under such paragraph may not exceed two years or in the case of an approved product which is a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act or the Virus-Serum-Toxin Act), three years.

§ 157. Statutory invention registration (Section repealed)

§ 172. Right of priority

The right of priority provided for by subsections (a) through (d) of section 119 of this title ~~and the time specified in section 102 (d)~~ shall be six months in the case of designs. The right of priority provided for by section 119 (e) of this title shall not apply to designs.

§ 181 Secrecy of certain inventions and withholding of patent

Whenever publication or disclosure by the publication of an application or by the grant of a patent on an invention in which the Government has a property interest might, in the opinion of the head of the interested Government agency, be detrimental to the national security, the Commissioner of Patents upon being so notified shall order that the invention be kept secret and shall withhold the publication of an application or the grant of a patent therefor under the conditions set forth hereinafter.

Whenever the publication or disclosure of an invention by the publication of an application or by the granting of a patent, in which the Government does not have a property interest, might, in the opinion of the Commissioner of Patents, be detrimental to the national security, he shall make the application for patent in which such invention is disclosed available for inspection to the Atomic Energy Commission, the Secretary of Defense, and the chief officer of any other department or agency of the Government designated by the President as a defense agency of the United States.

Each individual to whom the application is disclosed shall sign a dated acknowledgment thereof, which acknowledgment shall be entered in the file of the application. If, in the opinion of the Atomic Energy Commission, the Secretary of a Defense Department, or the chief officer of another department or agency so designated, the publication or disclosure of the invention by the publication of an application or by the granting of a patent therefor would be detrimental to the national security, the Atomic Energy Commission, the Secretary of a Defense Department, or such other chief officer shall notify the Commissioner of Patents and the Commissioner of Patents shall order that the invention be kept secret and shall withhold the publication of the application or the grant of a patent for such period as the national interest requires, and notify the applicant thereof. Upon proper showing by the head of the department or agency who caused the secrecy order to be issued that the examination of the application might jeopardize the national interest, the Commissioner of Patents shall thereupon maintain the application in a sealed condition and notify the applicant thereof. The owner of an application which has been placed under a secrecy order shall have a right to appeal from the order to the Secretary of Commerce under rules prescribed by him.

An invention shall not be ordered kept secret and the publication of an application or the grant of a patent withheld for a period of more than one year. The Commissioner of Patents shall renew the order at the end thereof, or at the end of any renewal period, for additional periods of one year upon notification by the head of the department or the chief officer of the agency who caused the order to be issued that an affirmative determination has been made that the national interest continues to so require. An order in effect, or issued, during a time when the United States is at war, shall remain in effect for the duration of hostilities and one year following cessation of hostilities. An order in effect, or issued, during a national emergency declared by the President shall remain in effect for the duration of the national emergency and six months thereafter. The Commissioner of Patents may rescind any order upon notification by the heads of the departments and the chief officers of the agencies who caused the order to be issued that the publication or disclosure of the invention is no longer deemed detrimental to the national security.

§ 184. Filing of application in foreign country

(a) FILING IN FOREIGN COUNTRY – Except when authorized by a license obtained from the Commissioner of Patents a person shall not file or cause or authorize to be filed in any foreign country prior to six months after filing in the United States an application for patent or for the registration of a utility model, industrial design, or model in respect of an invention made in this country. A license shall not be granted with respect to an invention subject to an order issued by the Commissioner of Patents pursuant to section 181 of this title without the concurrence of the head of the departments and the chief officers of the agencies who caused the order to be issued. The license may be granted retroactively where an application has been filed abroad through error ~~and without deceptive intent~~ and the application does not disclose an invention within the scope of section 181 of this title.

(b) APPLICATION.—The term “application” when used in this chapter includes applications and any modifications, amendments, or supplements thereto, or divisions thereof.

(c) SUBSEQUENT MODIFICATIONS, AMENDMENTS, AND SUPPLEMENTS.—The scope of a license shall permit subsequent modifications, amendments, and supplements containing additional subject matter if the application upon which the request for the license is based is not, or was not, required to be made available for inspection under section 181 of this title and if such modifications, amendments, and supplements do not change the general nature of the invention in a manner which would require such application to be made available for inspection under such section 181. In any case in which a license is not, or was not, required in order to file an application in any foreign country, such subsequent modifications, amendments, and supplements may be made, without a license, to the application filed in the foreign country if the United States application was not required to be made available for inspection under section 181 and if such modifications, amendments, and supplements do not, or did not, change the general nature of the invention in a manner which would require the United States application to have been made available for inspection under such section 181.

§ 185. Patent barred for filing without license

Notwithstanding any other provisions of law any person, and his successors, assigns, or legal representatives, shall not receive a United States patent for an invention if that person, or his successors, assigns, or legal representatives shall, without procuring the license prescribed in section 184 of this title, have made, or consented to or assisted another’s making, application in a foreign country for a patent or for the registration of a utility model, industrial design, or model in respect of the invention. A United States patent issued to such person, his successors, assigns, or legal representatives shall be invalid, unless the failure to procure such license was through error ~~and without deceptive intent~~, and the patent does not disclose subject matter within the scope of section 181 of this title.

§ 202. Disposition of rights

(a) Each nonprofit organization or small business firm may, within a reasonable time after disclosure as required by paragraph (c)(1) of this section, elect to retain title to any subject invention: *Provided, however, That* a funding agreement may provide otherwise

(i) when the contractor is not located in the United States or does not have a place of business located in the United States or is subject to the control of a foreign government,

(ii) in exceptional circumstances when it is determined by the agency that restriction or elimination of the right to retain title to any subject invention will better promote the policy and objectives of this chapter

(iii) when it is determined by a Government authority which is authorized by statute or Executive order to conduct foreign intelligence or counter-intelligence activities that the restriction or elimination of the right to retain title to any subject invention is necessary to protect the security of such activities or,

(iv) when the funding agreement includes the operation of a Government-owned, contractor-operated facility of the Department of Energy primarily dedicated to that Department's naval nuclear propulsion or weapons related programs and all funding agreement limitations under this subparagraph on the contractor's right to elect title to a subject invention are limited to inventions occurring under the above two programs of the Department of Energy. The rights of the nonprofit organization or small business firm shall be subject to the provisions of paragraph (c) of this section and the other provisions of this chapter.

(b)

(1) The rights of the Government under subsection (a) shall not be exercised by a Federal agency unless it first determines that at least one of the conditions identified in clauses (i) through (iv) of subsection (a) exists. Except in the case of subsection (a)(iii), the agency shall file with the Secretary of Commerce, within thirty days after the award of the applicable funding agreement, a copy of such determination. In the case of a determination under subsection (a)(ii), the statement shall include an analysis justifying the determination. In the case of determinations applicable to funding agreements with small business firms, copies shall also be sent to the Chief Counsel for Advocacy of the Small Business Administration. If the Secretary of Commerce believes that any individual determination or pattern of determinations is contrary to the policies and objectives of this chapter or otherwise not in conformance with this chapter, the Secretary shall so advise the head of the agency concerned and the Administrator of the Office of Federal Procurement Policy, and recommend corrective actions.

(2) Whenever the Administrator of the Office of Federal Procurement Policy has determined that one or more Federal agencies are utilizing the authority of clause (i) or (ii) of subsection (a) of this section in a manner that is contrary to the policies and objectives of this chapter, the Administrator is authorized to issue regulations describing classes of situations in which agencies may not exercise the authorities of those clauses.

(3) At least once every 5 years, the Comptroller General shall transmit a report to the Committees on the Judiciary of the Senate and House of Representatives on the manner in which this chapter is being implemented by the agencies and on such other aspects of Government patent policies and practices with respect to federally funded inventions as the Comptroller General believes appropriate.

(4) If the contractor believes that a determination is contrary to the policies and objectives of this chapter or constitutes an abuse of discretion by the agency, the determination shall be subject to the [1] section 203 (b).

(c) Each funding agreement with a small business firm or nonprofit organization shall contain appropriate provisions to effectuate the following:

(1) That the contractor disclose each subject invention to the Federal agency within a reasonable time after it becomes known to contractor personnel responsible for the administration of patent matters, and that the Federal Government may receive title to any subject invention not disclosed to it within such time.

(2) That the contractor make a written election within two years after disclosure to the Federal agency (or such additional time as may be approved by the Federal agency) whether the contractor will retain title to a subject invention: Provided, That in any case where **the 1-year period referred to in section 102(a) would end before the end of such 2-year period publication, on sale, or public use, has initiated the one year statutory period in which valid patent protection can still be obtained in the United States,** the period for election may be shortened by the Federal agency to a date that is not more than sixty days prior to the end of the **1-year statutory** period: And provided further, That the Federal Government may receive title to any subject invention in which the contractor does not elect to retain rights or fails to elect rights within such times.

(3) That a contractor electing rights in a subject invention agrees to file a patent application prior to **the expiration of the 1-year period referred to in section 102(a) any statutory bar date that may occur under this title due to publication, on sale, or public use,** and shall thereafter file corresponding patent applications in other countries in which it wishes to retain title within reasonable times, and that the Federal Government may receive title to any subject inventions in the United States or other countries in which the contractor has not filed patent applications on the subject invention within such times.

(4) With respect to any invention in which the contractor elects rights, the Federal agency shall have a nonexclusive, nontransferrable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States any subject invention throughout the world: Provided, That the funding agreement may provide for such additional rights, including the right to assign or have assigned foreign patent rights in the subject invention, as are determined by the agency as necessary for meeting the obligations of the United States under any treaty, international agreement, arrangement of cooperation, memorandum of understanding, or similar arrangement, including military agreement relating to weapons development and production.

(5) The right of the Federal agency to require periodic reporting on the utilization or efforts at obtaining utilization that are being made by the contractor or his licensees or assignees: Provided, That any such information as well as any information on utilization or efforts at obtaining utilization obtained as part of a proceeding under section 203 of this chapter shall be treated by the Federal agency as commercial and financial information obtained from a person and privileged and confidential and not subject to disclosure under section 552 of title 5.

(6) An obligation on the part of the contractor, in the event a United States patent application is filed by or on its behalf or by any assignee of the contractor, to include within the specification of such application and any patent issuing thereon, a statement specifying that the invention was made with Government support and that the Government has certain rights in the invention.

(7) In the case of a nonprofit organization,

(A) a prohibition upon the assignment of rights to a subject invention in the United States without the approval of the Federal agency, except where such assignment is made to an organization which has as one of its primary functions the management of inventions (provided that such assignee shall be subject to the same provisions as the contractor);

(B) a requirement that the contractor share royalties with the inventor;

(C) except with respect to a funding agreement for the operation of a Government-owned-contractor-operated facility, a requirement that the balance of any royalties or income earned by the contractor with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, be utilized for the support of scientific research or education;

(D) a requirement that, except where it proves infeasible after a reasonable inquiry, in the licensing of subject inventions shall be given to small business firms; and

(E) with respect to a funding agreement for the operation of a Government-owned-contractor-operated facility, requirements

(i) that after payment of patenting costs, licensing costs, payments to inventors, and other expenses incidental to the administration of subject inventions, 100 percent of the balance of any royalties or income earned and retained by the contractor during any fiscal year up to an amount equal to 5 percent of the annual budget of the facility, shall be used by the contractor for scientific research, development, and education consistent with the research and development mission and objectives of the facility, including activities that increase the licensing potential of other inventions of the facility; provided that if said balance exceeds 5 percent of the annual budget of the facility, that 75 percent of such excess shall be paid to the Treasury of the United States and the remaining 25 percent shall be used for the same purposes as described above in this clause (D); and

(ii) that, to the extent it provides the most effective technology transfer, the licensing of subject inventions shall be administered by contractor employees on location at the facility.

(8) The requirements of sections 203 and 204 of this chapter.

(d) If a contractor does not elect to retain title to a subject invention in cases subject to this section, the Federal agency may consider and after consultation with the contractor grant

requests for retention of rights by the inventor subject to the provisions of this Act and regulations promulgated hereunder.

(e) In any case when a Federal employee is a coinventor of any invention made with a nonprofit organization, a small business firm, or a non-Federal inventor, the Federal agency employing such coinventor may, for the purpose of consolidating rights in the invention and if it finds that it would expedite the development of the invention—

(1) license or assign whatever rights it may acquire in the subject invention to the nonprofit organization, small business firm, or non-Federal inventor in accordance with the provisions of this chapter; or

(2) acquire any rights in the subject invention from the nonprofit organization, small business firm, or non-Federal inventor, but only to the extent the party from whom the rights are acquired voluntarily enters into the transaction and no other transaction under this chapter is conditioned on such acquisition.

(f)

(1) No funding agreement with a small business firm or nonprofit organization shall contain a provision allowing a Federal agency to require the licensing to third parties of inventions owned by the contractor that are not subject inventions unless such provision has been approved by the head of the agency and a written justification has been signed by the head of the agency. Any such provision shall clearly state whether the licensing may be required in connection with the practice of a subject invention, a specifically identified work object, or both. The head of the agency may not delegate the authority to approve provisions or sign justifications required by this paragraph.

(2) A Federal agency shall not require the licensing of third parties under any such provision unless the head of the agency determines that the use of the invention by others is necessary for the practice of a subject invention or for the use of a work object of the funding agreement and that such action is necessary to achieve the practical application of the subject invention or work object. Any such determination shall be on the record after an opportunity for an agency hearing. Any action commenced for judicial review of such determination shall be brought within sixty days after notification of such determination.

§ 251. Reissue of defective patents

(a) IN GENERAL – Whenever any patent is, ~~through error without any deceptive intention~~, deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent, the Director shall, on the surrender of such patent and the payment of the fee required by law, reissue the patent for the invention disclosed in the original patent, and in accordance with a new and amended application, for the unexpired part of the term of the original patent. No new matter shall be introduced into the application for reissue.

(b) MULTIPLE REISSUED PATENTS – The Director may issue several reissued patents for distinct and separate parts of the thing patented, upon demand of the applicant, and upon payment of the required fee for a reissue for each of such reissued patents.

(c) APPLICABILITY OF THIS TITLE – The provisions of this title relating to applications for patent shall be applicable to applications for reissue of a patent, except that application for reissue may be made and sworn to by the assignee of the entire interest if the application does not seek to enlarge the scope of the claims of the original patent.

(d) REISSUE PATENT ENLARGING SCOPE OF CLAIMS – No reissued patent shall be granted enlarging the scope of the claims of the original patent unless applied for within two years from the grant of the original patent.

§ 253. Disclaimer

(a) IN GENERAL – Whenever, ~~without any deceptive intention~~, a claim of a patent is invalid the remaining claims shall not thereby be rendered invalid. A patentee, whether of the whole or any sectional interest therein, may, on payment of the fee required by law, make disclaimer of any complete claim, stating therein the extent of his interest in such patent. Such disclaimer shall be in writing, and recorded in the Patent and Trademark Office; and it shall thereafter be considered as part of the original patent to the extent of the interest possessed by the disclaimant and by those claiming under him.

(b) ADDITIONAL DISCLAIMER OR DEDICATION – **In the manner set forth in subsection (a),** ~~In like manner~~ any patentee or applicant may disclaim or dedicate to the public the entire term, or any terminal part of the term, of the patent granted or to be granted.

§ 256. Correction of named inventor

(a) CORRECTION – Whenever through error a person is named in an issued patent as the inventor, or through error an inventor is not named in an issued patent ~~and such error arose without any deceptive intention on his part~~, the Director may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issued a certificate correcting such error.

(b) PATENT VALID IF ERROR CORRECTED – The error of omitting inventors or naming persons who are not inventors shall not invalidate the patent in which such error occurred if it can be corrected as provided in this section. The court before which such matter is called in question may order correction of the patent on notice and hearing of all parties concerned and the Director shall issue a certificate accordingly.

§ 271 Infringement of patent.

(a) Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States, or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.

(b) Whoever actively induces infringement of a patent shall be liable as an infringer.

(c) Whoever offers to sell or sells within the United States or imports into the United States a component of a patented machine, manufacture, combination, or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention,

knowing the same to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial non-infringing use, shall be liable as a contributory infringer.

(d) No patent owner otherwise entitled to relief for infringement or contributory infringement of a patent shall be denied relief or deemed guilty of misuse or illegal extension of the patent right by reason of his having done one or more of the following: (1) derived revenue from acts which if performed by another without his consent would constitute contributory infringement of the patent; (2) licensed or authorized another to perform acts which if performed without his consent would constitute contributory infringement of the patent; (3) sought to enforce his patent rights against infringement or contributory infringement; (4) refused to license or use any rights to the patent; or (5) conditioned the license of any rights to the patent or the sale of the patented product on the acquisition of a license to rights in another patent or purchase of a separate product, unless, in view of the circumstances, the patent owner has market power in the relevant market for the patent or patented product on which the license or sale is conditioned.

(e)(1) It shall not be an act of infringement to make, use, offer to sell, or sell within the United States or import into the United States a patented invention (other than a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Act of March 4, 1913) which is primarily manufactured using recombinant DNA, recombinant RNA, hybridoma technology, or other processes involving site specific genetic manipulation techniques) solely for uses reasonably related to the development and submission of information under a Federal law which regulates the manufacture, use, or sale of drugs or veterinary biological products. (2) It shall be an act of infringement to submit— (A) an application under section 505(j) of the Federal Food, Drug, and Cosmetic Act or described in section 505(b)(2) of such Act for a drug claimed in a patent or the use of which is claimed in a patent, or (B) an application under section 512 of such Act or under the Act of March 4, 1913 (21 U.S.C. 151 - 158) for a drug or veterinary biological product which is not primarily manufactured using recombinant DNA, recombinant RNA, hybridoma technology, or other processes involving site specific genetic manipulation techniques and which is claimed in a patent or the use of which is claimed in a patent, if the purpose of such submission is to obtain approval under such Act to engage in the commercial manufacture, use, or sale of a drug or veterinary biological product claimed in a patent or the use of which is claimed in a patent before the expiration of such patent. (3) In any action for patent infringement brought under this section, no injunctive or other relief may be granted which would prohibit the making, using, offering to sell, or selling within the United States or importing into the United States of a patented invention under paragraph (1). (4) For an act of infringement described in paragraph (2)—(A) the court shall order the effective date of any approval of the drug or veterinary biological product involved in the infringement to be a date which is not earlier than the date of the expiration of the patent which has been infringed, (B) injunctive relief may be granted against an infringer to prevent the commercial manufacture, use, offer to sell, or sale within the United States or importation into the United States of an approved drug or veterinary biological product, and (C) damages or other monetary relief may be awarded against an infringer only if there has been commercial manufacture, use, offer to sell, or sale within the United States or importation into the United States of an approved drug or veterinary biological product. The remedies prescribed by subparagraphs (A), (B), and (C) are the only remedies which may be granted by a court for an act of infringement described in

paragraph (2), except that a court may award attorney fees under section 285. (5) Where a person has filed an application described in paragraph (2) that includes a certification under subsection (b)(2)(A)(iv) or (j)(2)(A)(vii)(IV) of section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355), and neither the owner of the patent that is the subject of the certification nor the holder of the approved application under subsection (b) of such section for the drug that is claimed by the patent or a use of which is claimed by the patent brought an action for infringement of such patent before the expiration of 45 days after the date on which the notice given under subsection (b)(3) or (j)(2)(B) of such section was received, the courts of the United States shall, to the extent consistent with the Constitution, have subject matter jurisdiction in any action brought by such person under section 2201 of title 28 for a declaratory judgment that such patent is invalid or not infringed.

(f)(1) Whoever without authority supplies or causes to be supplied in or from the United States all or a substantial portion of the components of a patented invention, where such components are uncombined in whole or in part, in such manner as to actively induce the combination of such components outside of the United States in a manner that would infringe the patent if such combination occurred within the United States, shall be liable as an infringer.

(2) Whoever without authority supplies or causes to be supplied in or from the United States any component of a patented invention that is especially made or especially adapted for use in the invention and not a staple article or commodity of commerce suitable for substantial noninfringing use, where such component is uncombined in whole or in part, knowing that such component is so made or adapted and intending that such component will be combined outside of the United States in a manner that would infringe the patent if such combination occurred within the United States, shall be liable as an infringer.

(g) Whoever without authority imports into the United States or offers to sell, sells, or uses within the United States a product which is made by a process patented in the United States shall be liable as an infringer, if the importation, offer to sell, sale, or use of the product occurs during the term of such process patent. In an action for infringement of a process patent, no remedy may be granted for infringement on account of the noncommercial use or retail sale of a product unless there is no adequate remedy under this title for infringement on account of the importation or other use, offer to sell, or sale of that product. A product which is made by a patented process will, for purposes of this title, not be considered to be so made after —(1) it is materially changed by subsequent processes; or (2) it becomes a trivial and nonessential component of another product.

(h) As used in this section, the term “whoever” includes any State, any instrumentality of a State, any officer or employee of a State or instrumentality of a State acting in his official capacity. Any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this title in the same manner and to the same extent as any nongovernmental entity.

(i) As used in this section, an “offer for sale” or an “offer to sell” by a person other than the patentee or any assignee of the patentee, is that in which the sale will occur before the expiration of the term of the patent.

Editor’s Note: Repeal or amendment of §271(f) has been under discussion, but is not included in the Smith revisions to the Coalition Print.

§ 273. Special defenses to and exemptions from infringement ~~Defense to infringement based on earlier inventor~~

(a) Definitions.— For purposes of this section—

(1) the terms “commercially used” and “commercial use” mean use ~~of a method~~ in the United States, so long as such use is in connection with an internal commercial use or an actual arm’s-length sale or other arm’s-length commercial transfer of a useful end result, whether or not the subject matter at issue is accessible to or otherwise known to the public, except that the subject matter for which commercial marketing or use is subject to a premarketing regulatory review period; **and** during which the safety or efficacy of the subject matter is established, including any period specified in section 156 (g), shall be deemed “commercially used” and in “commercial use” during such regulatory review period;

(2) in the case of activities performed by a nonprofit research laboratory, or nonprofit entity such as a university, research center, or hospital, a use for which the public is the intended beneficiary shall be considered to be a use described in paragraph (1), except that the use—

(A) may be asserted as a defense under this section only for continued use by and in the laboratory or nonprofit entity; and

(B) may not be asserted as a defense with respect to any subsequent commercialization or use outside such laboratory or nonprofit entity[;].

~~(3) the term “method” means a method of doing or conducting business; and~~

~~(4) the “effective filing date” of a patent is the earlier of the actual filing date of the application for the patent or the filing date of any earlier United States, foreign, or international application to which the subject matter at issue is entitled under section 119, 120, or 365 of this title.~~

Editor’s note: The changes to section 273(b) shall apply to any patent issuing on application filed on or after the date of enactment.

(b) Defense to Infringement.—

(1) In general.— It shall be a defense to an action for infringement under section 271 of this title with respect to any subject matter that would otherwise infringe one or more claims ~~for a method~~ in the patent being asserted against a person, if such person had, acting in good faith, actually reduced the subject matter to practice **and commercially used, or made substantial preparations for commercial use of, the subject matter before the effective filing date of the claimed invention at least 1 year before the effective filing date of such patent, and commercially used the subject matter before the effective filing date of such patent.**

(2) Exhaustion of right.— The sale or other disposition of **subject matter that qualifies for the defenses set forth in this section** ~~a useful end product produced by a patented method~~, by a person entitled to assert **such defense** ~~a defense under this section with respect to that useful end result~~ shall exhaust the patent owner’s rights

under the patent to the extent such rights would have been exhausted had such sale or other disposition been made by the patent owner.

(3) Limitations and qualifications of defense.— The defense to infringement under this section is subject to the following:

~~(A) Patent.— A person may not assert the defense under this section unless the invention for which the defense is asserted is for a method.~~

(A[B]) Derivation.— A person may not assert the defense under this section if the subject matter on which the defense is based was derived from the patentee or persons in privity with the patentee.

(B[C]) Not a general license.— The defense asserted by a person under this section is not a general license under all claims of the patent at issue, but extends only to the specific subject matter claimed in the patent with respect to which the person can assert a defense under this chapter, except that the defense shall also extend to variations in the quantity or volume of use of the claimed subject matter, and to improvements in the claimed subject matter that do not infringe additional specifically claimed subject matter of the patent.

(4) Burden of proof.— A person asserting the defense under this section shall have the burden of establishing the defense by clear and convincing evidence.

(5) Abandonment of use.— A person who has abandoned commercial use of subject matter may not rely on activities performed before the date of such abandonment in establishing a defense under this section with respect to actions taken after the date of such abandonment.

(6) Personal defense.— The defense under this section may be asserted only by the person who performed the acts necessary to establish the defense and, except for any transfer to the patent owner, the right to assert the defense shall not be licensed or assigned or transferred to another person except as an ancillary and subordinate part of a good faith assignment or transfer for other reasons of the entire enterprise or line of business to which the defense relates.

(7) Limitation on sites.— A defense under this section, when acquired as part of a good faith assignment or transfer of an entire enterprise or line of business to which the defense relates, may only be asserted for uses at sites where the subject matter that would otherwise infringe one or more of the claims is in use before the later of the effective filing date of the **claimed invention patent** or the date of the assignment or transfer of such enterprise or line of business.

(8) Unsuccessful assertion of defense.— If the defense under this section is pleaded by a person who is found to infringe the patent and who subsequently fails to demonstrate a reasonable basis for asserting the defense, the court shall find the case exceptional for the purpose of awarding attorney fees under section 285 of this title.

(9) Invalidity.— A patent shall not be deemed to be invalid under section 102 or 103 of this title solely because a defense is raised or established under this section.

§ 281. Remedy for infringement of patent.

(a) IN GENERAL — A patentee ~~A patentee~~ shall have remedy by civil action for infringement of his patent. ~~The court shall have jurisdiction to determine the validity of any claim alleged to have been infringed, even if the allegation of infringement is later withdrawn with respect to the claim.~~

(b) CLAIMS ALLEGED TO HAVE BEEN INFRINGED — The court shall have jurisdiction to determine the validity of any claim specifically alleged in an action under subsection (a) to have been infringed, even if the allegation of infringement is later withdrawn with respect to such claim.

(c) TRANSFER OF VENUE.- A court shall grant a motion to transfer an action under subsection (a) to a judicial district or division in which the action could have been brought and that is a more appropriate forum for the action, which includes any judicial district or division where a party to the action has substantial evidence or witnesses, if—

(1) the action was not brought in a district or division —

(A) in which the patentee resides or maintains its principal place of business,

(B) in which an accused infringer maintains its principal place of business,
or

(C) in the State in which an accused infringer, if a domestic corporation, is incorporated;

(2) at the time the action was brought, neither the patentee nor an accused infringer had substantial evidence or witnesses in the judicial district in which the action was brought, and

(3) the action has not been previously transferred under this subsection.

(d) For purposes of this section (c), use or sale of allegedly infringing subject matter in a judicial district shall not, by itself, establish the existence of substantial evidence or witnesses in such a judicial district.

Editor's note: Transfer of Venue provisions of the ACT shall apply to any action filed or or after the date of enactment.

§ 283. Injunction

The several courts having jurisdiction of cases under this title may grant injunctions in accordance with the principles of equity to prevent the violation of any right secured by patent, on such terms as the court deems reasonable.

~~In determining equity, the court shall consider the fairness of the remedy in light of all the facts and the relevant interests of the parties associated with the invention. Unless the injunction is entered pursuant to a nonappealable judgment of infringement, a court shall stay the injunction pending an appeal upon an affirmative showing that the stay would not result in irreparable harm to the owner of the patent and that the balance of hardships from the stay does not favor the owner of the patent.~~

§ 284. Damages

(a) AWARD OF DAMAGES – Upon finding for the claimant the court shall award the claimant damages adequate to compensate for the infringement, but in no event less than a reasonable royalty for the use made of the invention by the infringer, together with interest and costs as fixed by the court. **In determining a reasonable royalty in the case of a combination, the court shall consider, consideration shall be given to, if relevant and among other relevant factors, the portion of the realizable value profit profit or value that should be credited to the inventive contributions arising from the claimed invention as distinguished from other features of the combination, the manufacturing process, business risks, or significant contributions arising from features, manufacturing processes or improvements added by the infringer and from the business risks the infringer undertook in commercialization.**

(b) WILLFUL INFRINGEMENT –

(1) INCREASED DAMAGES.—A court that has determined that the infringer has willfully infringed a patent or patents may increase the damages up to three times the amount of damages found or assessed under subsection (a), except that increased damages under this paragraph shall not apply to provisional rights under section 154(d) of this title.

(2) PERMITTED GROUNDS FOR WILLFULNESS.—A court may find that an infringer has willfully infringed a patent only if the patent owner presents clear and convincing evidence that—

(A) after receiving written notice from the patentee—

(i) alleging acts of infringement in a manner sufficient to give the infringer an objectively reasonable apprehension of suit on such patent, and

(ii) identifying with particularity each claim of the patent, each product or process that the patent owner alleges infringes the patent, and the relationship of such product or process to such claim,

the infringer, after a reasonable opportunity to investigate, thereafter performed one or more of the alleged acts of infringement;

(B) the infringer intentionally copied the patented invention with knowledge that it was patented; or

(C) after having been found by a court to have infringed that patent, the infringer engaged in conduct that was not colorably different from the conduct previously found to have infringed the patent, and which resulted in a separate finding of infringement of the same patent.

(3) LIMITATIONS ON WILLFULNESS.—

(A) A court shall not find that an infringer has willfully infringed a patent under paragraph (2) for any period of time during which the infringer had an informed good faith belief that the patent was invalid or unenforceable,

or would not be infringed by the conduct later shown to constitute infringement of the patent.

~~(B) Reasonable reliance on advice of counsel shall establish an An informed good faith belief within the meaning of subparagraph (A) may be established by reasonable reliance on advice of counsel.~~

(C) The decision of the infringer not to present evidence of advice of counsel shall have no relevance to a determination of willful infringement under paragraph (2).

(4) LIMITATION ON PLEADING.— ~~Prior to Before~~ the date ~~that on which~~ a determination has been made that the patent in suit is not invalid, is enforceable, and has been infringed by the infringer, a A patentee may not plead, and a court may not determine, that an infringer has willfully infringed a patent. ~~before the date on which a determination has been made that the patent in suit is not invalid, is enforceable, and has been infringed by the infringer.~~ The court's determination of an infringer's willfulness shall be made without ~~the involvement of a jury.~~

(c) EXPERT TESTIMONY – The court may receive expert testimony as an aid to the determination of damages or of what royalty would be reasonable under the circumstances.

Editor's note: Apportionment of damages provisions of this act shall take place upon enactment. However, willfulness provisions of this act (§284(b)) shall take effect only for claimed inventions with an effective filing date on or after the date of enactment.

§ 287. Limitation on damages and other remedies; marking and notice

(a) Patentees, and persons making, offering for sale, or selling within the United States any patented article for or under them, or importing any patented article into the United States, may give notice to the public that the same is patented, either by fixing thereon the word "patent" or the abbreviation "pat.," together with the number of the patent, or when, from the character of the article, this can not be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.

(b)

(1) An infringer under section 271 (g) shall be subject to all the provisions of this title relating to damages and injunctions except to the extent those remedies are modified by this subsection or section 9006 of the Process Patent Amendments Act of 1988. The modifications of remedies provided in this subsection shall not be available to any person who—

(A) practiced the patented process;

(B) owns or controls, or is owned or controlled by, the person who practiced the patented process; or

(C) had knowledge before the infringement that a patented process was used to make the product the importation, use, offer for sale, or sale of which constitutes the infringement.

(2) No remedies for infringement under section 271 (g) of this title shall be available with respect to any product in the possession of, or in transit to, the person subject to liability under such section before that person had notice of infringement with respect to that product. The person subject to liability shall bear the burden of proving any such possession or transit.

(3)

(A) In making a determination with respect to the remedy in an action brought for infringement under section 271 (g), the court shall consider—

- (i) the good faith demonstrated by the defendant with respect to a request for disclosure,
- (ii) the good faith demonstrated by the plaintiff with respect to a request for disclosure, and
- (iii) the need to restore the exclusive rights secured by the patent.

(B) For purposes of subparagraph (A), the following are evidence of good faith:

- (i) a request for disclosure made by the defendant;
- (ii) a response within a reasonable time by the person receiving the request for disclosure; and
- (iii) the submission of the response by the defendant to the manufacturer, or if the manufacturer is not known, to the supplier, of the product to be purchased by the defendant, together with a request for a written statement that the process claimed in any patent disclosed in the response is not used to produce such product.

The failure to perform any acts described in the preceding sentence is evidence of absence of good faith unless there are mitigating circumstances. Mitigating circumstances include the case in which, due to the nature of the product, the number of sources for the product, or like commercial circumstances, a request for disclosure is not necessary or practicable to avoid infringement.

(4)

(A) For purposes of this subsection, a “request for disclosure” means a written request made to a person then engaged in the manufacture of a product to identify all process patents owned by or licensed to that person, as of the time of the request, that the person then reasonably believes could be asserted to be infringed under section 271 (g) if that product were imported into, or sold, offered for sale, or used in, the United States by an unauthorized person. A request for disclosure is further limited to a request—

(i) which is made by a person regularly engaged in the United States in the sale of the same type of products as those manufactured by the person to whom the request is directed, or which includes facts showing that the person making the request plans to engage in the sale of such products in the United States;

(ii) which is made by such person before the person's first importation, use, offer for sale, or sale of units of the product produced by an infringing process and before the person had notice of infringement with respect to the product; and

(iii) which includes a representation by the person making the request that such person will promptly submit the patents identified pursuant to the request to the manufacturer, or if the manufacturer is not known, to the supplier, of the product to be purchased by the person making the request, and will request from that manufacturer or supplier a written statement that none of the processes claimed in those patents is used in the manufacture of the product.

(B) In the case of a request for disclosure received by a person to whom a patent is licensed, that person shall either identify the patent or promptly notify the licensor of the request for disclosure.

(C) A person who has marked, in the manner prescribed by subsection (a), the number of the process patent on all products made by the patented process which have been offered for sale or sold by that person in the United States, or imported by the person into the United States, before a request for disclosure is received is not required to respond to the request for disclosure. For purposes of the preceding sentence, the term "all products" does not include products made before the effective date of the Process Patent Amendments Act of 1988.

(5)

(A) For purposes of this subsection, notice of infringement means actual knowledge, or receipt by a person of a written notification, or a combination thereof, of information sufficient to persuade a reasonable person that it is likely that a product was made by a process patented in the United States.

(B) A written notification from the patent holder charging a person with infringement shall specify the patented process alleged to have been used and the reasons for a good faith belief that such process was used. The patent holder shall include in the notification such information as is reasonably necessary to explain fairly the patent holder's belief, except that the patent holder is not required to disclose any trade secret information.

(C) A person who receives a written notification described in subparagraph (B) or a written response to a request for disclosure described in paragraph (4) shall be deemed to have notice of infringement with respect to any patent referred to in such written notification or response unless that person, absent mitigating circumstances—

(i) promptly transmits the written notification or response to the manufacturer or, if the manufacturer is not known, to the supplier, of the product purchased or to be purchased by that person; and

(ii) receives a written statement from the manufacturer or supplier which on its face sets forth a well grounded factual basis for a belief that the identified patents are not infringed.

(D) For purposes of this subsection, a person who obtains a product made by a process patented in the United States in a quantity which is abnormally large in relation to the volume of business of such person or an efficient inventory level shall be rebuttably presumed to have actual knowledge that the product was made by such patented process.

(6) A person who receives a response to a request for disclosure under this subsection shall pay to the person to whom the request was made a reasonable fee to cover actual costs incurred in complying with the request, which may not exceed the cost of a commercially available automated patent search of the matter involved, but in no case more than \$500.

(c)

(1) With respect to a medical practitioner s performance of a medical activity that constitutes an infringement under section 271 (a) or (b) of this title, the provisions of sections 281, 283, 284, and 285 of this title shall not apply against the medical practitioner or against a related health care entity with respect to such medical activity.

(2) For the purposes of this subsection:

(A) the term “medical activity” means the performance of a medical or surgical procedure on a body, but shall not include

(i) the use of a patented machine, manufacture, or composition of matter in violation of such patent,

(ii) the practice of a patented use of a composition of matter in violation of such patent, or

(iii) the practice of a process in violation of a biotechnology patent.

(B) the term “medical practitioner” means any natural person who is licensed by a State to provide the medical activity described in subsection (c)(1) or who is acting under the direction of such person in the performance of the medical activity.

(C) the term “related health care entity” shall mean an entity with which a medical practitioner has a professional affiliation under which the medical practitioner performs the medical activity, including but not limited to a nursing home, hospital, university, medical school, health maintenance organization, group medical practice, or a medical clinic.

(D) the term “professional affiliation” shall mean staff privileges, medical staff membership, employment or contractual relationship, partnership or ownership interest, academic appointment, or other affiliation under which a medical

practitioner provides the medical activity on behalf of, or in association with, the health care entity.

(E) the term “body” shall mean a human body, organ or cadaver, or a nonhuman animal used in medical research or instruction directly relating to the treatment of humans.

(F) the term “patented use of a composition of matter” does not include a claim for a method of performing a medical or surgical procedure on a body that recites the use of a composition of matter where the use of that composition of matter does not directly contribute to achievement of the objective of the claimed method.

(G) the term “State” shall mean any state [1] or territory of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(3) This subsection does not apply to the activities of any person, or employee or agent of such person (regardless of whether such person is a tax exempt organization under section 501(c) of the Internal Revenue Code), who is engaged in the commercial development, manufacture, sale, importation, or distribution of a machine, manufacture, or composition of matter or the provision of pharmacy or clinical laboratory services (other than clinical laboratory services provided in a physician s office), where such activities are:

(A) directly related to the commercial development, manufacture, sale, importation, or distribution of a machine, manufacture, or composition of matter or the provision of pharmacy or clinical laboratory services (other than clinical laboratory services provided in a physician s office), and

(B) regulated under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, or the Clinical Laboratories Improvement Act.

(4) This subsection shall not apply to any patent issued based on an application which has an effective filing date before the earliest effective filing date of which is prior to September 30, 1996.

§ 288. Action for infringement of a patent containing an invalid claim

Whenever, ~~without deceptive intention,~~ a claim of a patent is invalid, an action may be maintained for the infringement of a claim of the patent which may be valid. The patentee shall recover no costs unless a disclaimer of the invalid claim has been entered at the Patent and Trademark Office before the commencement of the suit.

§ 291. Interfering patents (Section repealed)

~~The owner of an interfering patent may have relief against the owner of another by civil action, and the court may adjudge the question of validity of any of the interfering patents, in whole or in part. The provisions of the second paragraph of section 146 of this title shall apply to actions brought under this section.~~

§ 305. Conduct of reexamination proceedings

After the times for filing the statement and reply provided for by section 304 of this title have expired, reexamination will be conducted according to the procedures established for initial examination under the provisions of sections 132 and 133 of this title. In any reexamination proceeding under this chapter, the patent owner will be permitted to propose any amendment to his patent and a new claim or claims thereto, in order to distinguish the invention as claimed from the prior art cited under the provisions of section 301 of this title, or in response to a decision adverse to the patentability of a claim of a patent. No proposed amended or new claim enlarging the scope of a claim of the patent will be permitted in a reexamination proceeding under this chapter. All reexamination proceedings under this section, including any appeal to the Board of Patent Appeals ~~and interferences~~, will be conducted with special dispatch within the Office.

CHAPTER 31 — OPTIONAL INTER PARTES REEXAMINATION PROCEDURES

§ 314. Conduct of inter partes reexamination proceedings

(a) In General.— Except as otherwise provided in this section, reexamination shall be conducted according to the procedures established for initial examination under the provisions of sections 132 and 133. In any inter partes reexamination proceeding under this chapter, the patent owner shall be permitted to propose any amendment to the patent and a new claim or claims, except that no proposed amended or new claim enlarging the scope of the claims of the patent shall be permitted.

(b) Response.—

(1) With the exception of the inter partes reexamination request, any document filed by either the patent owner or the third-party requester shall be served on the other party. In addition, the Office shall send to the third-party requester a copy of any communication sent by the Office to the patent owner concerning the patent subject to the inter partes reexamination proceeding.

(2) Each time that the patent owner files a response to an action on the merits from the Patent and Trademark Office, the third-party requester shall have one opportunity to file written comments addressing issues raised by the action of the Office or the patent owner's response thereto, if those written comments are received by the Office within 30 days after the date of service of the patent owner's response.

(c) Special Dispatch.— Unless otherwise provided by the Director for good cause, all inter partes reexamination proceedings under this section, including any appeal to the Board of Patent Appeals ~~and interferences~~, shall be conducted with special dispatch within the Office.

§ 315. Appeal

(a) PATENT OWNER.— The patent owner involved in an inter partes reexamination proceeding under this chapter—

(1) may appeal under the provisions of section 134 and may appeal under the provisions of sections 141 through 144, with respect to any decision adverse to the patentability of any original or proposed amended or new claim of the patent; and

(2) may be a party to any appeal taken by a third-party requester under subsection (b).

(b) **THIRD-PARTY REQUESTER.**— A third-party requester—

(1) may appeal under the provisions of section 134, and may appeal under the provisions of sections 141 through 144, with respect to any final decision favorable to the patentability of any original or proposed amended or new claim of the patent; and
(2)

may, subject to subsection (c), be a party to any appeal taken by the patent owner under the provisions of section 134 or sections 141 through 144.

(c) **CIVIL ACTION.**— A third-party requester whose request for an inter partes reexamination results in an order under section 313 is estopped from asserting at a later time, in any civil action arising in whole or in part under section 1338 of title 28, the invalidity of any claim finally determined to be valid and patentable on any ground which the third-party requester raised ~~or could have raised~~ during the inter partes reexamination proceedings. This subsection does not prevent the assertion of invalidity based on newly discovered prior art unavailable to the third-party requester and the Patent and Trademark Office at the time of the inter partes reexamination proceedings.

Editor's Note: Notwithstanding any other provision of law, after enactment of this ACT, sections 311 through 318 as amended herein, shall take effect on any patent that issues from any patent application filed on any date. The estoppel provision of section 315(c) shall take effect for any reexamination filed after th date of enactment.

CHAPTER 32—POST-GRANT OPPOSITION PROCEDURES

Editor's Note: Chapter 32 is new in its entirety. No request for an Opposition under this Chapter can be made, however, until the end of a 1 year transition period beginning on the date of enactment of this ACT, or upon such later date as is established by the Director. Special transition provisions begin for all patents issuing one year after passage of this ACT.

§ 321. Right to oppose patent; opposition request

(a) FILING OF OPPOSITION.—A person may request that the grant or reissue of a patent be reconsidered by the Office by filing an opposition seeking to invalidate one or more claims in the patent. **The request shall identify with particularity the reasons why one or more claims of the patent do not comply with the requirements of this title specified in Section 324, and shall identify the evidence that supports the reasons set forth in the request. The Director shall establish, by regulation, fees to be paid by the opposer. Copies of patents and printed publications to be relied upon in support of the request must be filed with the request. If an opposer relies on other factual evidence or on expert opinions in support of the opposition, such evidence and opinions must be filed with the request through one or more accompanying affidavits or declarations.**

(b) COPIES PROVIDED TO PATENT OWNER.—Copies of any documents filed under subsection (a) must be provided to the patent owner or, if applicable, the designated representative of the patent owner, at the time of filing under subsection (a), except that if a request is made under section 322(b) that the identity of a real party in interest be kept separate, then the identity of the real party in interest may be redacted from the copies provided.

(c) FILE AVAILABLE TO THE PUBLIC.—The file of any opposition proceeding shall be made available to the public except as provided in section 322.

§ 322. Real party in interest

(a) IDENTIFICATION.—The person making the request under section 321 shall identify in writing each real party in interest, and the opposition shall proceed in the name of the real party in interest.

(b) IDENTITY KEPT SECRET UPON REQUEST.—

(1) IN GENERAL.—Subject to paragraph (2), if requested by the opposer, the identity of a real party in interest shall be kept separate from the file of the opposition and made available only to Government agencies upon written request, or to any person upon a showing of good cause. If the identity of a real party in interest is kept separate from the file under this subsection, then the opposition shall proceed in the name of the individual filing the request as representative of the real party in interest.

(2) EXCEPTION.—No request under this paragraph (1) to keep the identity of a real party in interest separate from the file of the opposition may be made or maintained if the opposer relies upon factual evidence or expert opinions in the form of affidavits or declarations during the opposition proceeding or if the opposer becomes a party to an appeal under section 141.

§ 323. Timing of opposition request

~~An~~ A person may not make an opposition request under section 321 later than 9 months after the grant of the patent or issuance of a reissue patent, or ~~later than 6 months after receiving notice from the patent holder alleging infringement, except that~~, if the patent owner consents in writing, an opposition request may be filed at any time during the period of enforceability of the patent. A court having jurisdiction over an issue of validity of a patent may not require the patent owner to consent to such a request.

§ 324. Limits on scope of validity issues raised

An opposition request must identify with particularity the claims that are alleged to be ~~unpatentable invalid~~ and, as to each claim, one or more ~~questions of patentability issues of invalidity~~ on which the opposition is based. The issues of invalidity that may be considered during the opposition proceeding are double patenting and any of the requirements for patentability set forth in sections 101, 102, 103, 112, and 251(d).

§ 325. Institution of the opposition proceeding; stay upon timely filed suit

(a) DETERMINATION ON OPPOSITION REQUEST; INSTITUTION OF OPPOSITION PROCEEDING.—

(1) DETERMINATION BY THE DIRECTOR.—For each opposition request submitted under section 321(a) with respect to a patent, the Director shall determine if the written statement, and any evidence submitted with the request, establish that a substantial question of patentability exists for at least one claim in the patent. The Director shall notify the patent owner and each opposer in writing of the Director's findings, not later than the date in which an opposition proceeding is instituted pursuant to the request. Any determination made by the Director under this paragraph shall not be appealable.

(2) INSTITUTION.—If the Director makes a determination under paragraph (1) that a substantial question of patentability exists, the Director shall commence an opposition proceeding. The Director shall institute such proceeding not earlier than the date on which the 9-month period specified in section 323 expires ~~the applicable period specified in section 323 expires~~, and not later than the date that is three months after such date or, where an opposition request is filed after the 9-month period with the written consent of the patent owner, not later than the date that is three months after the date such opposition request is filed. Absent a showing of good cause, the opposition proceeding shall be limited to review of the claim or claims and the substantial questions of patentability issues identified in the opposition request that are determined to exist by the Director.

(3) CONSOLIDATED PROCEEDING.—If an opposition is instituted based upon more than one opposition request, the opposition shall proceed as a single consolidated proceeding, unless later divided under subsection (c).

(b) PARTIES.—The parties to the opposition proceeding shall be the patent owner and each opposer who has filed a request that results in a determination under subsection (a)(2) to institute the opposition proceeding.

(c) ASSIGNMENT TO PANEL.—The Director shall assign the opposition proceeding to a panel of three administrative patent judges (in this chapter referred to as the 'panel'). The panel shall decide the questions of patentability raised in the opposition request. The decision shall be based upon the prosecution record that was the basis for the grant or reissue of the patent and the additional submissions by the parties to the opposition proceeding authorized under this chapter. The panel may, in appropriate cases, divide the opposition into separate proceedings if the opposition involves multiple opposition requests by different parties.

(d) RELATIONSHIP TO COURT ACTIONS.—

[1(d)] STAY OF OPPOSITION.—~~If the owner of a patent files suit alleging infringement of the patent before the expiration of the 9-month or 6-month period for filing an opposition request under section 321, the Director, if requested by the patent owner, shall stay the opposition proceeding until judgment in the suit, and~~

all appeals thereof, have become final. The determination by the Director under subsection (a)(1) shall not be made, and an opposition proceeding shall not be instituted under subsection (a)(2), with respect to a patent, until after an action alleging infringement of the patent is finally concluded, if—

(A) such a stay is requested by the patent owner;

(B) the infringement action is filed within 3 months after the grant of the patent;

(C) the Director determines that the infringement action is likely to address the same or substantially the same questions of patentability that would be addressed in the opposition proceeding; and

(D) the Director determines that staying the opposition proceeding would not be contrary to the interests of justice.

(2) INSTITUTING OPPOSITION FOLLOWING STAY.—Within 3 months after the date on which a stay under paragraph (1) ends, the Director shall determine whether a substantial question of patentability that was set forth in the opposition request continues to exist. The Director may institute an opposition proceeding following a stay under paragraph (1) only with respect to a substantial question of patentability identified in an opposition request that continues to exist because it was not decided by the court in the infringement action.

(3) NO STAY OF CONCURRENT COURT ACTION.—A court may not stay an action for infringement.—

(A) pending a determination of whether to institute an opposition proceeding; or

(B) if an opposition proceeding is commenced under this chapter, during the pendency of the opposition proceeding.

(4) EFFECT OF CLAIM INTERPRETATION BY A COURT.—If a court has entered an order interpreting a claim of a patent involved in an opposition proceeding, the order has become final and nonappealable, and the patent owner disclaims any broader interpretation of the claim, the patent owner may elect to have the claim interpretation of the court govern the opposition proceeding.

§ 326. Patent owner response

After the Director has instituted an opposition proceeding under section 325 with respect to a patent, the patent owner shall have the right to file, within a time period set by the Director panel, a response to each opposition request that results in a determination under section 325(a)(2) to institute the an opposition proceeding. The patent owner shall file with the response, through affidavits or declarations, any additional factual evidence and expert opinions on which the patent owner relies in support of the response.

§ 327. Amendment of claims

The patent owner is entitled to request amendment of any claims that are the subject of an opposition proceeding under this chapter, including by the addition of new claims. Any such request for amendment shall be filed with the patent owner's response to the [an opposition proceeding request](#). The panel may permit further requests for amendment of the claims only upon good cause shown by the patent owner. No amendment enlarging the scope of the claims of the patent shall be permitted in the opposition proceeding.

§ 328. Discovery and sanctions

(a) DEPOSITIONS.—After an opposition proceeding under this chapter is instituted, the patent owner shall have the right to depose each person submitting an affidavit or declaration on behalf of any opposer, and each opposer shall have the right to depose each person submitting an affidavit or declaration on behalf of the patent owner. Such depositions shall be limited to cross-examination on matters relevant to the affidavit or declaration.

(b) ADDITIONAL DISCOVERY.—No discovery other than that provided for in subsection (a) shall be permitted unless the panel determines that additional discovery is required in the interest of justice.

(c) SCHEDULE.—The panel shall determine the schedule for the taking of discovery under subsections (a) and (b).

(d) CONSEQUENCES FOR FAILURE TO RESPOND PROPERLY.—If any party to an opposition proceeding fails to properly respond to any discovery under subsection (a) or (b), the panel may draw appropriate adverse inferences and take other action permitted by statute, rule, or regulation.

§ 329. Supplemental submissions

The panel may permit one or more supplemental submissions to be made by any party to an opposition proceeding under this chapter, subject to the rights and limitations on discovery under section 328.

§ 330. Hearing and briefs

A party to an opposition proceeding under this chapter may request an oral hearing by the date set by the panel. If a hearing is requested or the panel determines sua sponte that a hearing is warranted, the panel shall set a time for the hearing. The panel may permit the parties to file briefs for the hearing, and shall permit cross-examination of all affiants and declarants in the hearing, either before the panel or by deposition taken under section 328.

§ 331. Written decision

The panel shall issue a written decision on each issue of patentability with respect to each claim that is the subject of an opposition proceeding under this chapter. The written decision shall consist of findings of fact and conclusions of law. The written decision shall become a final

determination of the Office on the issues raised in the opposition unless a party to the opposition files a request for reconsideration and modification of the written decision within a period of time set by the panel. Such time period shall not be less than two weeks after the date of the written decision.

§ 332. Burden of proof and evidence

(a) BURDEN OF PROOF.—The opposer in an opposition proceeding under this chapter shall have the burden to prove the invalidity of a claim by a preponderance of the evidence. The determination of invalidity shall be based upon the broadest reasonable construction of the claim.

(b) EVIDENCE.—The Federal Rules of Evidence shall apply to the opposition proceeding, except to the extent inconsistent with any provision of this chapter.

§ 333. Reconsideration

If a request is filed for reconsideration of the written decision in an opposition proceeding under this chapter, the panel may authorize a party to the proceeding who did not file such a request to file a response to the request for reconsideration. Following any reconsideration, the panel shall either deny the request for modification of the written decision or grant the request and issue a modified written decision, which shall constitute the final determination of the Office on the issues raised in the opposition proceeding.

§ 334. Appeal

A party dissatisfied with the final determination of the panel in an opposition proceeding under this chapter may appeal the determination under sections 141 through 144. Any party to the opposition proceeding shall have the right to be a party to the appeal.

§ 335. Certificate

When a decision of a panel in an opposition proceeding under this chapter has become final under section 331, 333, or 334, the Director shall issue and publish a certificate in accordance with the decision, canceling any claim of the patent determined to be unpatentable, and shall incorporate into the patent any new or amended claims determined to be patentable. The issuance of the certificate shall terminate the opposition proceeding.

§ 336. Estoppel

(a) ESTOPPEL.—

(1) IN GENERAL.—Subject to paragraph (2), after a certificate has been issued under section 335 in accordance with the decision of the panel in an opposition proceeding, the determination with respect to [a question of patentability an issue of invalidity](#) raised by an opposer shall bar the opposer from asserting, in any

subsequent proceeding before the Office or a court involving that opposer under this title, that any claim of that patent addressed in the opposition proceeding is invalid on the basis of any issue of fact or law actually decided by the panel and necessary to the determination of that issue.

(2) EXCEPTION.—If an opposer in an opposition proceeding demonstrates in a subsequent proceeding referred to in paragraph (1) that there is additional factual evidence that is material to an issue of fact actually decided and necessary to the final determination in the opposition proceeding, that could not reasonably have been discovered by that opposer, the opposer may raise, in that subsequent proceeding, that issue of fact and any determined issue of law for which the issue of fact was necessary.

(b) EXPANDED DEFINITION OF OPPOSER.—For purposes of this section, the term ‘opposer’ includes the person making the request under section 321, any real party in interest, and their successors in interest.

(c) NEW PARTY IN INTEREST.—If a proceeding arising by reason of additional factual evidence raised under subsection (a)(2) involves a real party in interest not identified to the patent owner under section 322, the real party in interest shall notify the Director and the patent owner of that fact and of the subsequent proceeding, within 30 days after receiving notice that the subsequent proceeding has been filed.

§ 337. Duration of opposition

The final determination of a panel described in section 333 shall issue not later than one year after the date on which the opposition proceeding is instituted under section 325. Upon good cause shown, the Director may extend the 1-year period by not more than six months.

§ 338. Settlement

(a) IN GENERAL.—An opposition proceeding under this chapter shall be terminated with respect to any opposer upon the joint request of the opposer and the patent owner, unless the panel has issued a written decision under section 331 before the request for termination is filed. If the opposition is terminated with respect to an opposer under this section, no estoppel under section 336 shall apply to that opposer. If no opposer remains in the proceeding, the panel may terminate the proceeding or proceed without the opposer to issue a written decision under section 331.

(b) AGREEMENTS IN WRITING.—Any agreement or understanding between the patent owner and an opposer, including any collateral agreements referred to therein, that is made in connection with or in contemplation of the termination of an opposition proceeding, shall be in writing. An opposition proceeding as between the parties to the agreement or understanding shall not be terminated until a true copy of the agreement or understanding, including any such collateral agreements, has been filed in the Office. If any party filing an agreement or understanding requests, the agreement or understanding shall be kept separate from the file of the opposition, and shall be made

available only to Government agencies on written request, or to any person on a showing of good cause.

(c) DISCRETIONARY ACTIONS REVIEWABLE.—Any discretionary action of the Director under subsection (b) shall be reviewable under chapter 7 of title 5.

§ 339. Intervening rights

Any proposed amended or new claim determined to be patentable and incorporated into a patent following an opposition proceeding under this chapter shall have the same effect as that specified in section 252 of this title for reissued patents on the right of any person who made, purchased, or used within the United States, or imported into the United States, anything patented by such proposed amended or new claim, or who made substantial preparation therefor, before the certificate is issued under section 335 with respect to that amended or new claim.

§ 340. Relationship with reexamination proceedings

A patent for which an opposition proceeding has been instituted under this chapter may not thereafter be made the subject of a request under section 302 or 311 for reexamination by the same opposer or on behalf of the same real party in interest, on the same claim and on the same issue that was the basis of the opposition proceeding. An ex parte reexamination request made by a person other than the patent owner during the 9-month ~~or 6-month~~ period specified in section 323, or an inter partes reexamination request made during the 9-month ~~or 6-month~~ period specified in section 323, shall be treated as a request under section 321, and no ex parte reexamination or inter partes reexamination may be ordered based on such request. A request for ex parte reexamination or inter partes reexamination made after the 9-month ~~or 6-month~~ period specified in section 323, and a request for ex parte reexamination made by the patent owner at any time, shall be stayed during the pendency of any opposition proceeding under this chapter.

CHAPTER 36 — INTERNATIONAL STAGE

§ 363. International application designating the United States: Effect

An international application designating the United States shall have the effect, from its international filing date under article 11 of the treaty, of a national application for patent regularly filed in the Patent and Trademark Office ~~except as otherwise provided in section 102 (e) of this title.~~

§ 365. Right of priority; benefit of the filing date of a prior application.

(a) In accordance with the conditions and requirements of subsections (a) through (d) of section 119 of this title, a national application shall be entitled to the right of priority based on a prior filed international application which designated at least one country other than the United States.

(b) In accordance with the conditions and requirements of section 119(a) of this title and the treaty and the Regulations, an international application designating the United States shall be entitled to the right of priority based on a prior foreign application, or a prior international application designating at least one country other than the United States.

(c) In accordance with the conditions and requirements of section 120 of this title, an international application designating the United States shall be entitled to the benefit of the filing date of a prior national application or a prior international application designating the United States, and a national application shall be entitled to the benefit of the filing date of a prior international application designating the United States. If any claim for the benefit of an earlier filing date is based on a prior international application which designated but did not originate in the United States, the Director may require the filing in the Patent and Trademark Office of a certified copy of such application together with a translation thereof into the English language, if it was filed in another language.

Editor's note: Section 365 (a), (b), and (c) are effectively repealed with respect to "effective filing date" as used in section 102(a)(1)(A) for any foreign filings made in the EPC or Japan. The ACT provides that no right of priority shall be established under section 119 or section 365 of this title, until the Director has caused to be published in the Federal Registry an announcement that both the European Patent Convention treaty states and the nation of Japan have modified their patent laws to provide reciprocity for the terms of 102(a)(1) of this ACT, except as provided under § 119(e) of this Title.

§ 374. Publication of international application

The publication under the treaty defined in section 351 (a) of this title, of an international application designating the United States shall be deemed a publication under section 122 (b), except as provided in section 154(d) ~~sections 102 (e) and 154 (d)~~ of this title.

§ 375. Patent issued on international application: Effect

(a) A patent may be issued by the Director based on an international application designating the United States, in accordance with the provisions of this title. ~~Subject to section 102 (e) of this title, such~~ **Such** patent shall have the force and effect of a patent issued on a national application filed under the provisions of chapter 11 of this title.

(b) Where due to an incorrect translation the scope of a patent granted on an international application designating the United States, which was not originally filed in the English language, exceeds the scope of the international application in its original language, a court of competent jurisdiction may retroactively limit the scope of the patent, by declaring it unenforceable to the extent that it exceeds the scope of the international application in its original language.

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Editor's note: The following provisional amendments to Title 28, first introduced in the Chairman's substitute bill of 26 Jul 2005, are withdrawn in the "Coalition Print" of 1 Sep 2005. Per the Coalition Print, no changes are contemplated to sections 1391 and 1400 of Title 28. See however, section 281 of Title 35 (herein), amendment titled (c) TRANSFER OF VENUE.

TITLE 28 - JUDICIARY AND JUDICIAL PROCEDURE

PART IV - JURISDICTION AND VENUE

CHAPTER 87 - DISTRICT COURTS; VENUE

Sec. 1391. Venue generally

(a) A civil action wherein jurisdiction is founded only on diversity of citizenship may, except as otherwise provided by law, be brought only in (1) a judicial district where any defendant resides, if all defendants reside in the same State, (2) a judicial district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated, or (3) a judicial district in which any defendant is subject to personal jurisdiction at the time the action is commenced, if there is no district in which the action may otherwise be brought.

(b) A civil action wherein jurisdiction is not founded solely on diversity of citizenship may, except as otherwise provided by law, be brought only in (1) a judicial district where any defendant resides, if all defendants reside in the same State, (2) a judicial district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated, or (3) a judicial district in which any defendant may be found, if there is no district in which the action may otherwise be brought.

(c) For purposes of venue under this chapter ~~except for section 1400(b)~~, a defendant that is a corporation shall be deemed to reside in any judicial district in which it is subject to personal jurisdiction at the time the action is commenced. In a State which has more than one judicial district and in which a defendant that is a corporation is subject to personal jurisdiction at the time an action is commenced, such corporation shall be deemed to reside in any district in that State within which its contacts would be sufficient to subject it to personal jurisdiction if that district were a separate State, and, if there is no such district, the corporation shall be deemed to reside in the district within which it has the most significant contacts.

(d) An alien may be sued in any district.

(e) A civil action in which a defendant is an officer or employee of the United States or any agency thereof acting in his official capacity or under color of legal authority, or an agency of the United States, or the United States, may, except as otherwise provided by law, be brought in any judicial district in which (1) a defendant in the action resides, (2) a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated, or (3) the plaintiff resides if no real property is involved in the action. Additional persons may be joined as parties to any such action in accordance with the Federal Rules of Civil Procedure and with such other venue requirements as would be applicable if the United States or one of its officers, employees, or agencies were not a party.

The summons and complaint in such an action shall be served as provided by the Federal Rules of Civil Procedure except that the delivery of the summons and complaint to the officer or agency as required by the rules may be made by certified mail beyond the territorial limits of the district in which the action is brought.

(f) A civil action against a foreign state as defined in section 1603(a) of this title may be brought - (1) in any judicial district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated; (2) in any judicial district in which the vessel or cargo of a foreign state is situated, if the claim is asserted under section 1605(b) of this title; (3) in any judicial district in which the agency or instrumentality is licensed to do business or is doing business, if the action is brought against an agency or instrumentality of a foreign state as defined in section 1603(b) of this title; or (4) in the United States District Court for the District of Columbia if the action is brought against a foreign state or political subdivision thereof.

(g) A civil action in which jurisdiction of the district court is based upon section 1369 of this title may be brought in any district in which any defendant resides or in which a substantial part of the accident giving rise to the action took place. ‘

TITLE 28--JUDICIARY AND JUDICIAL PROCEDURE

PART IV--JURISDICTION AND VENUE

CHAPTER 87--DISTRICT COURTS; VENUE

Sec. 1400. Patents and copyrights, mask works, and designs.

(a) Civil actions, suits, or proceedings arising under any Act of Congress relating to copyrights or exclusive rights in mask works or designs may be instituted in the district in which the defendant or his agent resides or may be found.

(b) Any civil action for patent infringement may be brought in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has a regular and established place of business.

~~(b) Any civil action arising under any Act of Congress relating to patents, other than an action for declaratory judgment or an action seeking review of a decision of the Board of Patent Appeals under chapter 13 of title 35, may be brought only—~~

~~(1) in the judicial district where the defendant resides;~~

~~(2) in the judicial district where the defendant has committed acts of infringement and has a regular and established place of business; or~~

~~(3) if the plaintiff is a not-for-profit educational institution that owned the rights of the patents in suit as of the effective filing date of those patents, in any judicial district in which the defendant is subject to personal jurisdiction at the time the action is commenced.~~

~~(e) Notwithstanding section 1391(e) of this title, for purposes of venue under this section, a defendant that is a corporation shall be deemed to reside in the judicial district in which the corporation has its principal place of business.~~

Editor's Note: Changes to Title 28, sections 1391 and 1400, were to apply to an action filed on or after the date of enactment of this ACT. However, these changes are withdrawn in the latest Coalition Print of the proposed ACT.

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