Calendar No. 1324 H. R. 9199

93D CONGRESS 2D Session

[Report No. 93-1401]

IN THE SENATE OF THE UNITED STATES

MARCH 19, 1974 Read twice and referred to the Committee on the Judiciary

DECEMBER 17, 1974 Reported by Mr. McCLELLAN, without amendment

AN ACT

To amend title 35, United States Code, "Patents", and for other purposes.

Be it enacted by the Senate and House of Representa tives of the United States of America in Congress assembled,
 That section 3, title 35, of the United States Code is amended
 to read as follows:

5 "§ 3. Officers and employees

6 "(a) There shall be in the Patent Office a Commissioner 7 of Patents, a Deputy Commissioner, two Assistant Commis-8 sioners, and not more than fifteen examiners-in-chief. The 9 Deputy Commissioner, or, in the event of a vacancy in that 10 office, the Assistant Commissioner senior in date of appoint-11 ment shall fill the office of Commissioner during a vacancy 9

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in that office until the Commissioner is appointed and takes
office. The Commissioner of Patents, the Deputy Commissioner, and the Assistant Commissioners shall be appointed
by the President, by and with the advice and consent of the
Senate. The Secretary of Commerce, upon the nomination
of the Commissioner, in accordance with law, shall appoint
all other officers and employees.

"(b) The Secretary of Commerce may vest in himself 8 the functions of the Patent Office and its officers and em-9 ployees specified in this title and may from time to time 10 authorize their performance by any other officer or employee. 11 "(c) The Secretary of Commerce is authorized to fix 12the per annum rate of basic compensation of each examiner--13 in-chief in the Patent Office at not in excess of the maximum 14 scheduled rate provided for positions in grade 17 of the 15 General Schedule of the Classification Act of 1949, as 16amended." 17

18 SEC. 2. The first paragraph of section 7 of title 35 of 19 the United States Code is amended to read as follows:

20 "The examiners-in-chief shall be persons of competent 21 legal knowledge and scientific ability, who shall be appointed 22 under the classified civil service. The Commissioner, the dep-23 uty commissioner, the assistant commissioners, and the ex-24 aminers-in-chief shall constitute a Board of Appeals, which 25 on written appeal of the applicant, shall review adverse deci-

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sions of examiners upon applications for patents. Each appeal
 shall be heard by at least three members of the Board of
 Appeals, the members hearing such appeal to be designated
 by the Commissioner. The Board of Appeals has sole power
 to grant rehearings."

6 SEC. 3. The last sentence of section 151 of title 35 of 7 the United States Code is amended to read as follows: "If 8 any payment required by this section is not timely made, but 9 is submitted with the fee for delayed payment and the delay 10 in payment is shown to have been unavoidable, it may be 11 accepted by the Commissioner as though no abandonment or 12 lapse had ever occurred.".

13 SEC. 4. (a) The Commissioner of Patents may, in accordance with Section 3 of this Act, accept late payment 14 of issue fees, the payment of which was governed by the 15provisions of Public Law 89-93; *Provided*: the term of the 16 patent for which late payment of such an issue fee is accepted 17 shall expire earlier than the time specified in Section 154 18 of Title 35, United States Code, by a period equal to the 19 delay between the time the application became abandoned 20or the patent lapsed for failure to pay the issue fee and the 21 time the late payment is accepted after enactment of this 22Act; Further Provided: no patent with respect to which the 23payment of the issue fee was governed by the provisions of $\mathbf{24}$ PL 89-83 and for which a late payment of the issue fee 25.

is accepted under the authority created by Section 3 of this 1 Act, shall abridge or affect the right of any person or his $\mathbf{2}$ successors in business who made, purchased or used any-3 thing covered by the patent, after the date of the application 4 became abandoned or patent lapsed for failure to pay the $\mathbf{5}$ issue fee but prior to the grant or restoration of the patent, 6 to continue the use of or to sell to others to be used or sold, 7 the specific thing so made, purchased, or used. A court 8 before which such matter is in question may provide for the 9 continued manufacture, use or sale of the thing made, pur-10 chased or used as specified, or for the manufacture, use or 11 sale of which substantial preparation was made after the 12 13 date the application became abandoned or patent lapsed for 14 failure to pay the fee but prior to the grant or restoration of the patent, and it may also provide for the continued practice 15 16 of any process covered by the patent, practiced, or for the 17 practice of which substantial preparation was made, after the 18 date the application became abandoned or patent lapsed for failure to pay the issue fee but prior to the grant or restora-19 20tion of the patent, to the extent and under such terms as the 21court deems equitable for the protection of investments made 22or business commenced before the grant or restoration of the 23patent.

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(b) This Act shall be effective upon enactment. Examiners-in-chief in office on the date of enactment shall continue
in office under and in accordance with their then existing
appointments.

Passed the House of Representatives March 18, 1974. Attest: W. PAT JENNINGS, *Clerk.*

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