

Calendar No. 1330

98TH CONGRESS
1ST SESSION**S. 1535**

[Report No. 98-663]

To amend title 35, United States Code, to increase the effectiveness of the patent laws and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 23 (legislative day, JUNE 20), 1983

Mr. MATHIAS (for himself, Mr. DOLE, Mr. DECONCINI, Mr. CHAFEE, and Mr. HECHT) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

OCTOBER 5 (legislative day, SEPTEMBER 24), 1984

Reported by Mr. THURMOND, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To amend title 35, United States Code, to increase the effectiveness of the patent laws and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 ~~That section 271 of title 35, United States Code, is amended~~
4 ~~by adding at the end thereof the following new subsections:~~

1 “(e) Whoever without authority imports into or sells or
2 uses within the United States a product made in another
3 country by a process patented in the United States shall be
4 liable as an infringer.

5 “(f) Whoever without authority supplies or causes to be
6 supplied in the United States the material components of a
7 patented invention, where such components are uncombined
8 in whole or in part, intending that such components will be
9 combined outside of the United States, and knowing that if
10 such components were combined within the United States the
11 combination would be an infringement of the patent, shall be
12 liable as an infringer.”.

13 SEC. 2. Section 184 of title 35, United States Code, is
14 amended by—

15 (1) amending the third sentence thereof by strik-
16 ing out “inadvertently” and inserting after “filed
17 abroad” the words “through error and without decep-
18 tive intent”;

19 (2) adding at the end thereof the following new
20 paragraph:

21 “*In the case of an application for which a license has*
22 *been obtained or an application which has been filed in the*
23 *United States Patent and Trademark Office for more than six*
24 *months before the filing in a foreign country, and on which no*
25 *secrecy order has been issued, a license shall not be required*

1 for any modifications, amendments, supplements, divisions,
2 or other information filed in or transmitted to the foreign
3 country in connection with such application if such modifica-
4 tions, amendments, supplements, divisions, or information
5 consist only of the illustration, exemplification, comparison,
6 or explanation of subject matter specifically or generally dis-
7 closed in such application.”.

8 SEC. 3. Section 185 of title 35, United States Code, is
9 amended by adding before the period in the last sentence
10 thereof the following: “, unless the failure to procure such
11 license was through error and without deceptive intent, and
12 the patent does not disclose subject matter within the scope
13 of section 181 of this title”.

14 SEC. 4. Section 186 of title 35, United States Code, is
15 amended by—

16 (1) striking out “whoever, in violation of the pro-
17 visions of section 184 of this title,”; and

18 (2) inserting “such” after “in respect of any”.

19 SEC. 5. Section 103 of title 35, United States Code, is
20 amended by adding at the end thereof the following:

21 “Prior art shall not include unpublished information
22 which is developed by the applicant singly or jointly with
23 others, or which is known to the applicant only by virtue of
24 his or her employment.”.

1 SEC. 6. Section 116 of title 35, United States Code, is
2 amended by amending the first paragraph to read as follows:

3 “When two or more persons have made inventive con-
4 tributions to the subject matter claimed in an application,
5 they shall apply for patent jointly and each shall sign the
6 application and make the required oath, except as otherwise
7 provided in this title. Joint inventors need not have made an
8 inventive contribution to each claim of the application.”.

9 SEC. 7. Section 135(a) of title 35, United States Code,
10 is amended by adding at the end thereof the following: “Evi-
11 dence to establish priority of invention in accordance with
12 section 102(g) shall be provided by affidavit.”.

13 SEC. 8. Section 135(e) of title 35, United States Code,
14 is amended by—

15 (1) inserting before “shall render” in the third
16 sentence the following: “, unless such failure was
17 through error and without deceptive intent,”; and

18 (2) striking out the words “during the six-month
19 period” in the fourth sentence and “within the six-
20 month period” in the sixth sentence.

21 SEC. 9. Section 135 of title 35, United States Code, is
22 amended by adding at the end thereof the following new
23 subsection:

24 “(d) Parties to a patent interference may determine such
25 contest or any aspect thereof by arbitration. The parties shall

1 give notice of any arbitration award to the Commissioner,
2 and such award shall be dispositive of the issues to which it
3 relates. The arbitration award shall be unenforceable until
4 such notice is given.”.

5 SEC. 10. (a) Title 35, United States Code, is amended
6 by adding after section 294 the following new section:

7 “§ 295. Licensee estoppel

8 “(a) A licensee shall not be estopped from asserting in
9 judicial action the invalidity of any patent to which it is
10 licensed. Any agreement between the parties to a patent
11 license agreement which purports to bar the licensee from
12 asserting the invalidity of any licensed patent shall be
13 unenforceable as to that provision.

14 “(b) In the event of an assertion of invalidity by the
15 licensee in a judicial action, licensee and licensor shall each
16 have the right to terminate the license at any time after such
17 assertion. Until so terminated by either party, the licensee
18 shall pay and the licensor shall receive the consideration set
19 in the license agreement.”.

20 (b) The table of sections for chapter 29 of title 35,
21 United States Code, is amended by adding after the item
22 relating to section 294 the following:

“295. Licensee estoppel.”.

23 SEC. 11. The amendments made by this Act shall apply
24 to all unexpired United States patents granted before or after
25 the date of enactment of this Act.

1 *That this Act may be cited as the "Patent Law Amendment*
2 *of 1984".*

3 *SEC. 2. (a) Section 154 of title 35, United States Code,*
4 *is amended by inserting after "United States," the following:*
5 *"and, if the invention is a process, of the right to exclude*
6 *others from using or selling products produced thereby*
7 *throughout, or importing products produced thereby into, the*
8 *United States,".*

9 *(b) Section 271 of title 35, United States Code, is*
10 *amended by—*

11 *(1) inserting "(1)" after "(a)";*

12 *(2) adding at the end of subsection (a), the follow-*
13 *ing:*

14 *"(2) If the patented invention is a process, whoever*
15 *without authority uses or sells within, or imports into, the*
16 *United States during the term of the patent therefor a prod-*
17 *uct produced by such process infringes the patent.";* and

18 *(3) adding the following at the end thereof:*

19 *"(e)(1) Whoever without authority supplies or causes to*
20 *be supplied in or from the United States all or a substantial*
21 *portion of the components of a patented invention, where such*
22 *components are uncombined in whole or in part, in such*
23 *manner as to actively induce the combination of such compo-*
24 *nents outside of the United States in a manner that would*

1 *infringe the patent if such combination occurred within the*
2 *United States, shall be liable as an infringer.*

3 “(2) *Whoever without authority supplies or causes to be*
4 *supplied in or from the United States any component of a*
5 *patented invention that is especially made or especially*
6 *adapted for use in the invention and not a staple article or*
7 *commodity of commerce suitable for substantial noninfring-*
8 *ing use, where such component is uncombined in whole or in*
9 *part, knowing that such component is so made or adapted*
10 *and intended that such component will be combined outside of*
11 *the United States in a manner that would infringe the patent*
12 *if such combination occurred within the United States, shall*
13 *be liable as an infringer.”.*

14 (c) *Section 287 of title 35, United States Code, is*
15 *amended by—*

16 (1) *inserting “(a)” before “Patentees,”; and*

17 (2) *adding at the end thereof the following new*
18 *subsection:*

19 “(b) *No damages shall be recovered by the patentee for*
20 *infringement under section 271(a)(2) of this title from an*
21 *infringer who did not use the patented process except on proof*
22 *that such infringer knew of or was notified of the infringe-*
23 *ment and continued to infringe thereafter, in which event*
24 *damages may be recovered only for infringement occurring*

1 *after such knowledge or notice. Filing of an action for in-*
2 *fringement shall constitute such notice.”.*

3 *SEC. 3. Section 103 of title 35, United States Code, is*
4 *amended by adding at the end thereof the following:*

5 *“In addition, subject matter developed by another,*
6 *which qualifies as prior art only under subsection (f) or (g) of*
7 *section 102 of this title, shall not negate patentability under*
8 *this section where the subject matter and the claimed inven-*
9 *tion were commonly owned or subject to an obligation of as-*
10 *signment to the same party at the same time the invention*
11 *was made.”.*

12 *SEC. 4. (a) Section 116 of title 35, United States Code,*
13 *is amended by amending the first paragraph to read as fol-*
14 *lows:*

15 *“When an invention is made by two or more persons*
16 *jointly, such persons shall apply for a patent jointly and each*
17 *shall make the required oath, except as otherwise provided in*
18 *this title. Inventors may apply for a patent jointly even*
19 *though (i) they did not physically work together or at the*
20 *same time, (ii) each did not make the same type or amount of*
21 *contribution, or (iii) each did not make a contribution to the*
22 *subject matter of every claim of the patent.”.*

23 *(b) Section 120 of title 35, United States Code, is*
24 *amended to read as follows:*

1 *“An application for patent for an invention disclosed in*
2 *the manner provided by the first paragraph of section 112 of*
3 *this title in an application previously filed in the United*
4 *States, or as provided by section 363 of this title, by an in-*
5 *ventor or inventors named in the previously filed application*
6 *shall have the same effect, as to such invention, as though*
7 *filed on the date of the prior application, if filed before the*
8 *patenting or abandonment of or termination of proceedings on*
9 *the first application or an application similarly entitled to the*
10 *benefit of the filing date of the first application and if it con-*
11 *tains or is amended to contain a specific reference to the ear-*
12 *lier filed application.”.*

13 *SEC. 5. Section 135 of title 35, United States Code, is*
14 *amended by adding at the end thereof the following new sub-*
15 *section:*

16 *“(d) Parties to a patent interference may determine*
17 *such contest or any aspect thereof by arbitration. Such arbi-*
18 *tration shall be governed by the provisions of title 9, United*
19 *States Code, to the extent such title is not inconsistent with*
20 *this section. The parties shall give notice of any arbitration*
21 *award to the Commissioner, and such award shall be final*
22 *and binding between the parties to the arbitration but shall*
23 *have no force or effect regarding any other person. The arbi-*
24 *tration award shall be unenforceable until such notice is*
25 *given. Nothing in this subsection shall preclude the Commis-*

1 sioner from determining patentability of the invention in-
2 volved in the interference.”.

3 SEC. 6. (a) Title 35, United States Code, is amended
4 by adding after section 295 the following new section:

5 **“§ 296. Licensee challenges to patent validity**

6 “(a) A licensee shall not be estopped from asserting in a
7 judicial action the invalidity of any patent to which it is
8 licensed. Any agreement between the parties to a patent li-
9 cense agreement which purports to bar the licensee from as-
10 serting the invalidity of any licensed patent shall be unen-
11 forceable as to that provision.

12 “(b) Any patent license agreement may provide for a
13 party or parties to the agreement to terminate the license if
14 the licensee asserts in a judicial action the invalidity of the
15 licensed patent, and, if the licensee has such a right to termi-
16 nate, the agreement may further provide that the licensee’s
17 obligations under the agreement shall continue until a final
18 and unappealable determination of invalidity is reached or
19 until such right to terminate is exercised. Such agreement
20 shall not be unenforceable as to such provisions on the ground
21 that such provisions are contrary to Federal patent law or
22 policy.”.

23 (b) The table of sections for chapter 29 of title 35,
24 United States Code, is amended by adding after the item
25 relating to section 295 the following:

“296. Licensee challenges to patent validity.”.

1 *SEC. 7. (a) Chapter 14 of title 35, United States Code,*
2 *is amended by adding at the end thereof the following new*
3 *section:*

4 ***“§ 156. Statutory invention recording***

5 *“(a) Notwithstanding any other provisions of this title,*
6 *the Commissioner is authorized to publish a statutory inven-*
7 *tion recording containing the specification and drawings of a*
8 *regularly filed application for a patent without examination,*
9 *except as may be required to conduct an interference proceed-*
10 *ing, to determine compliance with section 112 of this title, or*
11 *to review for formalities required for printing, if the appli-*
12 *cant—*

13 *“(1) waives the right to receive a patent on the in-*
14 *vention within such period as may be prescribed by the*
15 *Commissioner, and*

16 *“(2) pays application, publication and other process-*
17 *ing fees established by the Commissioner.*

18 *“(b) The waiver under this section shall take effect upon*
19 *publication of the statutory invention recording.*

20 *“(c) A statutory invention recording published pursuant*
21 *to this section shall have all of the attributes specified for*
22 *patents in this title except those specified in section 183, and*
23 *sections 271 through 289 of this title. A statutory invention*
24 *recording shall not have any of the attributes specified for*
25 *patents in any other title of this Code.*

1 “(d) *The Secretary of Commerce shall convene an inter-*
2 *agency committee to coordinate policy on the use of the statu-*
3 *tory invention recording procedure by agencies of the United*
4 *States. Such policy shall ordinarily require use of the statu-*
5 *tory invention recording procedure for inventions as to which*
6 *the United States may have the right of ownership that do*
7 *not have commercial potential. The interagency committee*
8 *shall also, after obtaining views from the public, establish*
9 *standards for evaluating the commercial potential of inven-*
10 *tions to which the government may have the right of owner-*
11 *ship. The head of each agency which has a significant re-*
12 *search program (as determined by the Secretary of Com-*
13 *merce) shall designate either the senior technology transfer*
14 *official or the senior research policy official to participate as*
15 *a member of the interagency committee. The Secretary of*
16 *Commerce shall report to the Congress annually on the use of*
17 *statutory invention recordings. Such report shall include an*
18 *assessment of the degree to which agencies of the Federal*
19 *Government are making use of the statutory invention re-*
20 *coding system, the degree to which it aids the management of*
21 *federally developed technology, and an assessment of the cost*
22 *savings to the Federal Government of the use of such proce-*
23 *dures.”.*

24 (b) *The analysis for chapter 14 of title 35, United*
25 *States Code, is amended by adding at the end the following:*

“156. Statutory invention recording.”.

1 *SEC. 8. Section 134 of title 35, United States Code, is*
2 *amended by striking out "primary".*

3 *SEC. 9. Section 361(d) of title 35, United States Code,*
4 *is amended by inserting "or within one month after such*
5 *date" after "application" in the first sentence.*

6 *SEC. 10. Section 366 of title 35, United States Code,*
7 *is amended—*

8 (1) *by inserting "after the date of withdrawal,"*
9 *after "effect";*

10 (2) *by inserting ", unless a claim for the benefit*
11 *of a prior filing date under section 365(c) of this part*
12 *was made in a national application, or an internation-*
13 *al application designating the United States, filed*
14 *before the date of such withdrawal" before the period at*
15 *the end of the first sentence; and*

16 (3) *by inserting "withdrawn" after "such" in the*
17 *second sentence.*

18 *SEC. 11. (a) Section 371(a) of title 35, United States*
19 *Code, is amended by—*

20 (1) *striking out "is" and inserting in lieu thereof*
21 *"may be"; and*

22 (2) *striking out ", except those filed in the Patent*
23 *Office".*

24 (b) *Section 371(b) of title 35, United States Code, is*
25 *amended to read as follows:*

1 “(b) Subject to subsection (f) of this section, the nation-
2 al stage shall commence with the expiration of the applicable
3 time limit under article 22 (1) or (2) of the treaty.”.

4 (c) Section 371(c)(2) of title 35, United States Code, is
5 amended by—

6 (1) striking out “received from” and inserting in
7 lieu thereof “communicated by”; and

8 (2) striking out “verified” before “translation”.

9 (d) Section 371(d) of title 35, United States Code, is
10 amended to read as follows:

11 “(d) The requirements with respect to the national fee
12 referred to in subsection (c)(1), the translation referred to in
13 subsection (c)(2), and the oath or declaration referred to in
14 subsection (c)(4) of this section shall be complied with by the
15 date of the commencement of the national stage or by such
16 later time as may be fixed by the Commissioner. The copy of
17 the international application referred to in subsection (c)(2)
18 shall be submitted by the date of the commencement of the
19 national stage. Failure to comply with these requirements
20 shall be regarded as abandonment of the application by the
21 parties thereof, unless it be shown to the satisfaction of the
22 Commissioner that such failure to comply was unavoidable.
23 The payment of a surcharge may be required as a condition
24 of accepting the national fee referred to in subsection (c)(1) or
25 the oath or declaration referred to in subsection (c)(4) of this

1 *section if these requirements are not met by the date of the*
2 *commencement of the national stage. The requirements of*
3 *subsection (c)(3) of this section shall be complied with by the*
4 *date of the commencement of the national stage, and failure*
5 *to do so shall be regarded as a cancellation of the amend-*
6 *ments to the claims in the international application made*
7 *under article 19 of the treaty.”.*

8 *SEC. 12. (a) Section 372(b) of title 35, United States*
9 *Code, is amended by—*

10 *(1) striking out the period at the end of paragraph*

11 *(2) and inserting in lieu thereof a semicolon; and*

12 *(2) inserting at the end thereof the following:*

13 *“(3) the Commissioner may require a verification*
14 *of the translation of the international application or*
15 *any other document pertaining thereto if the applica-*
16 *tion or other document was filed in a language other*
17 *than English.”.*

18 *(b) Section 372 of title 35, United States Code, is*
19 *amended by deleting subsection (c).*

20 *SEC. 13. Section 376(a) of title 35, United States*
21 *Code, is amended by striking out paragraph (5) and redesign-*
22 *ating paragraph (6) as paragraph (5).*

23 *SEC. 14. Title 35, United States Code, is amended by*
24 *striking out “Patent Office” each place it appears and insert-*
25 *ing in lieu thereof “Patent and Trademark Office”.*

1 *SEC. 15. Notwithstanding section 2 of Public Law 96-*
2 *517, no fee shall be collected for maintaining a plant patent*
3 *in force.*

4 *SEC. 16. (a) Section 7 of title 35, United States Code,*
5 *is amended to read as follows:*

6 ***“§ 7. Board of Patent Appeals and Interferences***

7 *“The examiners-in-chief shall be persons of competent*
8 *legal knowledge and scientific ability, who shall be appointed*
9 *under the classified civil service. The Commissioner, the*
10 *deputy commissioner, the assistant commissioners, and the*
11 *examiners-in-chief shall constitute a Board of Patent Ap-*
12 *peals and Interferences.*

13 *“The Board of Patent Appeals and Interferences shall,*
14 *on written appeal of an applicant, review adverse decisions of*
15 *examiners upon applications for patents and shall determine*
16 *priority and patentability of invention in interferences de-*
17 *clared pursuant to section 135(a) of this title. Each appeal*
18 *and interference shall be heard by at least three members of*
19 *the Board of Patent Appeals and Interferences, the members*
20 *to be designated by the Commissioner. The Board of Patent*
21 *Appeals and Interferences has sole power to grant rehearings.*

22 *“Whenever the Commissioner considers it necessary to*
23 *maintain the work of the Board of Patent Appeals and Inter-*
24 *ferences current, he may designate any patent examiner of*
25 *the primary examiner grade or higher, having the requisite*

1 ability, to serve as examiner-in-chief for periods not exceed-
2 ing six months each. An examiner so designated shall be
3 qualified to act as a member of the Board of Patent Appeals
4 and Interferences. Not more than one such primary examiner
5 shall be a member of the Board of Patent Appeals and Inter-
6 ferences hearing an appeal or determining an interference.
7 The Secretary of Commerce is authorized to fix the per
8 annum rate of basic compensation of each designated exam-
9 iner-in-chief in the Patent and Trademark Office at not in
10 excess of the maximum scheduled rate provided for positions
11 at GS-16 pursuant to section 5332 of title 5, United States
12 Code. The per annum rate of basic compensation of each des-
13 igned examiner-in-chief shall be adjusted, at the close of the
14 period for which he was designated to act as examiner-in-
15 chief, to the per annum rate of basic compensation which he
16 would have been receiving at the close of such period if such
17 designation had not been made.”.

18 (b) The item relating to section 7 in the analysis for
19 chapter 1 of title 35, United States Code, is amended by
20 inserting “Board of Patent Appeals and Interferences” in
21 lieu of “Board of Appeals”.

22 SEC. 17. Section 41(a)(6) of title 35, United States
23 Code, is amended by inserting “Board of Patent Appeals and
24 Interferences” in lieu of “Board of Appeals”, each place it
25 appears and inserting “in the appeal” after “oral hearing”.

1 *SEC. 18. (a) Section 134 of title 35, United States*
2 *Code, including the section heading, is amended by inserting*
3 *“Board of Patent Appeals and Interferences” in lieu of*
4 *“Board of Appeals” each place it appears.*

5 *(b) The item relating to section 134 in the analysis for*
6 *chapter 12 of title 35, United States Code, is amended by*
7 *inserting “Board of Patent Appeals and Interferences” in*
8 *lieu of “Board of Appeals”.*

9 *SEC. 19. (a) Section 135(a) of title 35, United States*
10 *Code, is amended to read as follows:*

11 *“(a) Whenever an application is made for a patent*
12 *which, in the opinion of the Commissioner, would interfere*
13 *with any pending application, or with any unexpired patent,*
14 *an interference may be declared and the Commissioner shall*
15 *give notice thereof to the applicants, or applicant and patent-*
16 *ee, as the case may be. The Board of Patent Appeals and*
17 *Interferences shall determine the priority and patentability of*
18 *invention in interferences. Any final decision, if adverse to*
19 *the claim of an applicant, shall constitute the final refusal by*
20 *the Patent and Trademark Office of the claims involved, and*
21 *the Commissioner may issue a patent to the applicant who is*
22 *adjudged the prior inventor. A final judgment adverse to a*
23 *patentee from which no appeal or other review has been or*
24 *can be taken or had shall constitute cancellation of the claims*
25 *of the patent, and notice thereof shall be endorsed on copies of*

1 *the patent thereafter distributed by the Patent and Trade-*
2 *mark Office.”.*

3 (b) *Section 135(b) of title 35, United States Code, is*
4 *amended by striking out “may” and inserting in lieu thereof*
5 *“shall”.*

6 *SEC. 20. Section 141 of title 35, United States Code,*
7 *is amended to read as follows:*

8 ***“§ 141. Appeal to court of appeals for the Federal circuit***

9 *“An applicant dissatisfied with the decision in an*
10 *appeal to the Board of Patent Appeals and Interferences*
11 *under section 134 of this title may appeal to the United*
12 *States Court of Appeals for the Federal Circuit, thereby*
13 *waiving his right to proceed under section 145 of this title. A*
14 *party to an interference dissatisfied with the decision of the*
15 *Board of Patent Appeals and Interferences may appeal to the*
16 *United States Court of Appeals for the Federal Circuit, but*
17 *such appeal shall be dismissed if any adverse party to such*
18 *interference, within twenty days after the appellant has filed*
19 *notice of appeal according to section 142 of this title, files*
20 *notice with the Commissioner that he elects to have all fur-*
21 *ther proceedings conducted as provided in section 146 of this*
22 *title. Thereupon the appellant shall have thirty days thereaf-*
23 *ter within which to file a civil action under section 146, in*
24 *default of which the decision appealed from shall govern the*
25 *further proceedings in the case.”.*

1 *SEC. 21. Section 145 of title 35, United States Code,*
2 *is amended—*

3 (1) *by inserting “Board of Patent Appeals and*
4 *Interferences in an appeal under section 134 of this*
5 *title” in lieu of “Board of Appeals” in the first sen-*
6 *tence; and*

7 (2) *by inserting “Board of Patent Appeals and*
8 *Interferences” in lieu of “Board of Appeals” in the*
9 *second sentence.*

10 *SEC. 22. Section 146 of title 35, United States Code,*
11 *is amended by striking “Board of patent interferences on the*
12 *question of priority” and inserting in lieu thereof “Board of*
13 *Patent Appeals and Interferences”.*

14 *SEC. 23. Section 305 of title 35, United States Code,*
15 *is amended by inserting “Board of Patent Appeals and*
16 *Interferences” in lieu of “Board of Appeals”.*

17 *SEC. 24. Section 1295(a)(4)(A) of title 28, United*
18 *States Code, is amended by striking out “Appeals or the*
19 *Board of Patent” and inserting in lieu thereof “Patent Ap-*
20 *peals and”.*

21 *SEC. 25. Section 152 of the Atomic Energy Act of*
22 *1954 (42 U.S.C. 2182), is amended by striking out “a*
23 *Board of Patent Interferences” and inserting in lieu thereof*
24 *“the Board of Patent Appeals and Interferences”, and by*
25 *striking out “the Board of Patent Interferences” and insert-*

1 *ing in lieu thereof "the Board of Patent Appeals and Inter-*
2 *ferences".*

3 *SEC. 26. (a) Section 305(d) of the National Aeronau-*
4 *tics and Space Act of 1952 (42 U.S.C 2457(d)) is amended*
5 *by—*

6 *(1) by striking out "a Board of Patent Interfer-*
7 *ences" and inserting in lieu thereof "the Board of*
8 *Patent Appeals and Interferences", and*

9 *(2) striking out "the Board of Patent Interfer-*
10 *ences" and inserting in lieu thereof "the Board of*
11 *Patent Appeals and Interferences".*

12 *(b) Section 305(e) of the National Aeronautics and*
13 *Space Act of 1958 (42 U.S.C. 2457(e)) is amended by strik-*
14 *ing out "a Board of Patent Interferences" and inserting in*
15 *lieu thereof "the Board of Patent Appeals and Interferences".*

16 *SEC. 27. The examiners-in-chief of the Board of Ap-*
17 *peals and the examiners of interferences of the Board of*
18 *Patent Interferences on the effective date of this Act shall*
19 *continue in office as members of the Board of Patent Appeals*
20 *and Interferences.*

21 *SEC. 28. Section 3 of title 35, United States Code, is*
22 *amended by adding at the end thereof the following:*

23 *"(e) The members of the Trademark Trial and Appeal*
24 *Board of the Patent and Trademark Office shall receive com-*
25 *pensation equal to that paid a GS-16 under the General*

1 *Schedule contained in section 5332 of title 5, United States*
2 *Code.”.*

3 *SEC. 29. (a) Title 35 of the United States Code is*
4 *amended by adding immediately following section 155 the*
5 *following new section:*

6 ***“§ 155A. Patent extension.***

7 *“(a) Notwithstanding section 154 of this title, the term*
8 *of any patent which encompasses within its scope a composi-*
9 *tion of matter which is a new drug product, if such new drug*
10 *product is subject to the labeling requirements for oral hypo-*
11 *glycemic drugs of the sulfonylurea class as promulgated by*
12 *the Food and Drug Administration in its final rule of March*
13 *22, 1984 (FR Doc. 84-9640) and was approved by the Food*
14 *and Drug Administration for marketing after promulgation*
15 *of such final rule and prior to the date of enactment of this*
16 *law, shall be extended until April 21, 1982.*

17 *“(b) The patentee or licensee or authorized representa-*
18 *tive of any patent described in such subsection (a) shall,*
19 *within ninety days after the date of enactment of such subsec-*
20 *tion, notify the Commissioner of Patents and Trademarks of*
21 *the number of any patent so extended. On receipt of such*
22 *notice, the Commissioner shall confirm such extension by*
23 *placing a notice thereof in the official file of such patent and*
24 *publishing an appropriate notice of such extension in the Of-*
25 *ficial Gazette of the Patent and Trademark Office.”.*

1 **(b)** *The table of sections for chapter 14 of title 35,*
2 *United States Code, is amended by adding after the item*
3 *relating to section 155 the following new item:*

"155A. Patent extension."

4 **SEC. 30. (a)** *Section 14, 15, and 29 of this Act shall*
5 *take effect upon the date of enactment.*

6 **(b)** *Sections 7 through 13 of this Act shall take effect*
7 *three months after the date of enactment.*

8 **(c)** *Sections 16 through 28 of this Act shall take effect*
9 *three months after the date of enactment.*

10 **(d)** *Subject to subsections (e), (f), (g), and (h) of this*
11 *section, the amendments made by this Act shall apply to all*
12 *United States patents granted before, on, or after the date of*
13 *enactment of this Act, and to all applications for United*
14 *States patents pending on or filed on or after the date of*
15 *enactment.*

16 **(e)** *The amendments made by this Act shall not affect*
17 *any final decision made by a court or the Patent and Trade-*
18 *mark Office before the date of enactment of this Act with*
19 *respect to a patent or application for patent, if no appeal from*
20 *such decision is pending and the time for filing an appeal has*
21 *expired.*

22 **(f)** *Section 271(a)(2) of title 35, United States Code,*
23 *added by section 2 of this Act, shall apply only to products*
24 *produced or imported after the date of enactment of this Act.*

1 (g) Section 271 (e) of title 35, United States Code,
2 added by section 2 of this Act shall apply only to the supply-
3 ing, or causing to be supplied, of any component or compo-
4 nents of a patented invention after the date of enactment of
5 this Act.

6 (h) Subject to the provisions of subsections (f) and (g) of
7 this section, no United States patent granted before the date
8 of enactment of this Act shall abridge or affect the right of
9 any person or his successors in business who made, pur-
10 chased, or used prior to such effective date anything protected
11 by the patent, to continue the use of, or to sell to others to be
12 used or sold, the specific thing so made, purchased, or used, if
13 the patent claims were invalid or otherwise unenforceable on
14 a ground obviated by sections 2 through 6 of this Act and the
15 person made, purchased, or used the specific thing in reason-
16 able reliance on such invalidity or unenforceability. If a
17 person reasonably relied on such invalidity or unenforceabil-
18 ity, the court before which such matter is in question may
19 provide for the continued manufacture, use, or sale of the
20 thing made, purchased, or used as specified, or for the manu-
21 facture, use, or sale of which substantial preparation was
22 made before the date of enactment of this Act, and it may also
23 provide for the continued practice of any process practiced, or
24 for the practice of which substantial preparation was made,
25 prior to the date of enactment, to the extent and under such

1 *terms as the court deems equitable for the protection of invest-*
2 *ments made or business commenced before the date of enact-*
3 *ment.*

Calendar No. 1330

98TH CONGRESS
2^D SESSION

S. 1535

[Report No. 98-663]

A BILL

To amend title 35, United States Code, to increase the effectiveness of the patent laws and for other purposes.

OCTOBER 5 (legislative day, SEPTEMBER 24), 1984

Reported with an amendment