98TH CONGRESS
1ST SESSION

S. 1535

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, and Mr. DECONCINI) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

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A BILL

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 271 of title 35, United States Code, is amended by adding at the end thereof the following new subsections:

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

"(f) Whoever without authority supplies or causes to be supplied in the United States the material components of a

patented invention, where such components are uncombined in whole or in part, intending that such components will be combined outside of the United States, and knowing that if such components were combined within the United States the combination would be an infringement of the patent, shall be liable as an infringer.".

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

(1) amending the third sentence thereof by striking out "inadvertently" and inserting after "filed abroad" the words "through error and without deceptive intent";

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

"In the case of an application for which a license has been obtained or an application which has been filed in the United States Patent and Trademark Office for more than six months before the filing in a foreign country, and on which no secrecy order has been issued, a license shall not be required for any modifications, amendments, supplements, divisions, or other information filed in or transmitted to the foreign country in connection with such application if such modifications, amendments, supplements, divisions, or information consist only of the illustration, exemplification, comparison, or expla-

nation of subject matter specifically or generally disclosed in such application.".

SEC. 3. Section 185 of title 35, United States Code, is amended by adding before the period in the last sentence thereof the following: ", 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".

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

(1) striking out "whoever, in violation of the provisions of section 184 of this title,"; and

(2) inserting "such" after "in respect of any".

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

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

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

"When two or more persons have made inventive contributions to the subject matter claimed in an application, they shall apply for patent jointly and each shall sign the application and make the required oath, except as otherwise

provided in this title. Joint inventors need not have made an inventive contribution to each claim of the application.".

SEC. 7. Section 135(a) of title 35, United States Code, is amended by adding at the end thereof the following: "Evidence to establish priority of invention in accordance with section 102(g) shall be provided by affidavit.".

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

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

(2) striking out the words "during the six-month period" in the fourth sentence and "within the six-month period" in the sixth sentence.

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

"(d) Parties to a patent interference may determine such contest or any aspect thereof by arbitration. The parties shall give notice of any arbitration award to the Commissioner, and such award shall be dispositive of the issues to which it relates. The arbitration award shall be unenforceable until such notice is given.".

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

"§ 295. Licensee estoppel

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

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

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

"295. Licensee estoppel.".

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

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