

S 1145

Patent Reform Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: Senate

Policy Area: Commerce

Introduced: Apr 18, 2007

Current Status: An errata sheet on written report No. 110-259 was printed.

Latest Action: An errata sheet on written report No. 110-259 was printed. (Jan 24, 2008)

Official Text: <https://www.congress.gov/bill/110th-congress/senate-bill/1145>

Sponsor

Name: Sen. Leahy, Patrick J. [D-VT]

Party: Democratic • **State:** VT • **Chamber:** Senate

Cosponsors (9 total)

| Cosponsor | Party / State | Role | Date Joined |
|---------------------------------|---------------|------|--------------|
| Sen. Cornyn, John [R-TX] | R · TX | | Apr 18, 2007 |
| Sen. Hatch, Orrin G. [R-UT] | R · UT | | Apr 18, 2007 |
| Sen. Schumer, Charles E. [D-NY] | D · NY | | Apr 18, 2007 |
| Sen. Whitehouse, Sheldon [D-RI] | D · RI | | Apr 18, 2007 |
| Sen. Craig, Larry E. [R-ID] | R · ID | | Apr 24, 2007 |
| Sen. Bennett, Robert F. [R-UT] | R · UT | | May 22, 2007 |
| Sen. Crapo, Mike [R-ID] | R · ID | | May 22, 2007 |
| Sen. Salazar, Ken [D-CO] | D · CO | | Sep 7, 2007 |
| Sen. Smith, Gordon H. [R-OR] | R · OR | | Oct 3, 2007 |

Committee Activity

| Committee | Chamber | Activity | Date |
|---------------------|---------|-------------|--------------|
| Judiciary Committee | Senate | Reported By | Jan 24, 2008 |

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

| Bill | Relationship | Last Action |
|-------------|----------------|---|
| 110 HR 1908 | Identical bill | Sep 11, 2007: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 348. |

Patent Reform Act of 2007 - (Sec. 2) Amends federal patent law to define terms, including "inventor," "joint inventor," and "effective filing date of a claimed invention."

Modifies the conditions under which a patent may be obtained, including basing patent granting in part on filing dates (often referred to as a "first-to-file" system).

Repeals provisions relating to inventions made abroad and provisions allowing statutory invention registration.

Requires that a subsequent patent application which names an inventor or joint inventor in a previous application (currently, an application which is filed by an inventor or inventors named in a previous application) have the same effect as though filed on the date of the previous application.

Repeals provisions providing for civil actions regarding interfering patents (possible conflicts between applications or unexpired patents).

Allows an applicant to request a derivation proceeding to determine the right of the applicant to a patent. Requires the requester to set forth the basis for finding that an earlier applicant derived the claimed invention from the requester.

(Sec. 3) Revises requirements for an inventor's oath or declaration to allow substitute statements in specified circumstances (e.g., death or disability) and supplemental and corrected statements.

Allows a third party assignee (other than the inventor) or a person with a proprietary interest to file a patent application.

(Sec. 4) Replaces patent infringement damage provisions with provisions allowing courts to receive expert testimony and setting forth standards for calculating reasonable royalties.

Allows tripling of damages for willful infringement.

Requires a report to the judiciary committees of the Senate and the House of Representatives regarding the operation of prior user rights in selected countries in the industrialized world.

Prohibits damages for infringement committed more than two years before the filing of the complaint or counterclaim for infringement, except on proof that the infringer was notified of the infringement by the patentee.

Allows a defense to an infringement action by an entity that controls, is controlled by, or is under common control with a person who reduced the subject matter to practice at least one year before the effective filing date of a patent, and commercially used the subject matter before the effective filing date of the patent. (Current law allows the defense only by the person who performed the acts, not by other entities related by control.) Allows any person to assert a defense based on exhaustion of specified existing rights.

(Sec. 5) Replaces provisions relating to optional *inter partes* reexamination procedures with provisions setting forth post-grant review procedures, including time limits.

(Sec. 6) Replaces the Board of Patent Appeals and Interferences with the Patent Trial and Appeal Board. Requires the Board to review adverse decisions of examiners on patent applications and reexaminations, to determine priority and patentability of invention in derivation proceedings, and to conduct post-grant opposition proceedings.

(Sec. 7) Removes provisions prohibiting publication of a patent application if the applicant so requests and if the application has not and will not be the subject of an application in another country.

Allows any person to 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, subject to conditions.

(Sec. 8) Revises venue and jurisdiction requirements for civil actions relating to patents.

Gives the United States Court of Appeals for the Federal Circuit exclusive jurisdiction over an appeal from an interlocutory order or decree determining construction of claims in a civil action for patent infringement under specified patent infringement provisions.

(Sec. 9) Allows the United States Patent and Trademark Office (USPTO) to set or adjust all of its fees, provided that such fees are set to reasonably compensate the USPTO for services performed.

(Sec. 10) Repeals provisions requiring that each federal circuit judge be a resident of the circuit for which the judge is appointed. (This repeal affects all circuit judges, regardless of whether they are hearing cases related to patents.)

(Sec. 11) Requires that patent applicants submit a search report and analysis relevant to patentability and any other information relevant to patentability that the Director of the USPTO determines necessary. Exempts from those requirements applications submitted by a small entity not named in five or more previous applications, not having a gross income over a specified level, and meeting other requirements (a micro-entity).

(Sec. 12) Requires a party requesting that a patent be canceled or held unenforceable due to inequitable conduct in connection with a matter or proceeding before the USPTO to prove independently by clear and convincing evidence that material information was misrepresented or omitted from the patent application with the intention of deceiving the USPTO. Allows as remedies one or more of the following: (1) holding the patent unenforceable; (2) holding one or more claims of the patent unenforceable; or (3) ordering payment of royalties.

(Sec. 13) Authorizes the USPTO Director to accept late patent or trademark applications if the applicant or owner files a petition within 30 days after a deadline showing, to the satisfaction of the Director, that the delay was unintentional.

(Sec. 14) Shields a financial institution that infringes by using a check collection system from the infringement remedies of civil actions, injunctions, damages, and attorney's fees. Applies the amendment made by this paragraph to any civil action for infringement pending or filed on or after the date of enactment of this Act.

(Sec. 15) Removes a requirement that the USPTO have advance authority from an appropriation Act in order to spend the fees it collects. Makes fees available until expended.

Establishes in the U.S. Treasury the United States Patent and Trademark Office Public Enterprise Fund, transfers to it the amounts in the Patent and Trademark Office Appropriation Account, and makes amounts in the Fund available without fiscal year limitation for all ordinary and reasonable USPTO expenses.

Requires an annual report to Congress on the USPTO by the Under Secretary of Commerce for Intellectual Property and the USPTO Director.

Requires a spending plan report each fiscal year to the committees on appropriations of House and Senate.

Requires an annual audit and submission of an annual budget.

Actions Timeline

- **Jan 24, 2008:** Committee on the Judiciary. Reported by Senator Leahy with an amendment in the nature of a substitute. With written report No. 110-259. Additional and Minority views filed.
- **Jan 24, 2008:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 563.
- **Jan 24, 2008:** An errata sheet on written report No. 110-259 was printed.
- **Jul 19, 2007:** Committee on the Judiciary. Ordered to be reported with amendments favorably.
- **Jul 12, 2007:** Committee on the Judiciary. Committee consideration and Mark Up Session held.
- **Jun 21, 2007:** Committee on the Judiciary. Committee consideration and Mark Up Session held.
- **Jun 6, 2007:** Committee on the Judiciary. Hearings held. Hearings printed: S.Hrg. 110-149.
- **May 1, 2007:** Committee on the Judiciary. Hearings held. Hearings printed: S.Hrg. 110-127.
- **Apr 18, 2007:** Introduced in Senate
- **Apr 18, 2007:** Sponsor introductory remarks on measure. (CR S4685-4686)
- **Apr 18, 2007:** Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S4686-4691)