

AMENDMENT NO. _____ Calendar No. _____

Purpose: To improve the bill.

IN THE SENATE OF THE UNITED STATES—110th Cong., 1st Sess.

S. 1145

To amend title 35, United States Code, to provide for patent reform.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by Mr. LEAHY

Viz:

- 1 On page 26, between lines 6 and 7, insert the fol-
- 2 lowing:
- 3 “(e) WILLFUL INFRINGEMENT .—
- 4 “(1) INCREASED DAMAGES.—A court that has
- 5 determined that the infringer has willfully infringed
- 6 a patent or patents may increase the damages up to
- 7 three times the amount of damages found or as-
- 8 sessed under subsection (a), except that increased
- 9 damages under this paragraph shall not apply to
- 10 provisional rights under section 154(d).

1 “(2) PERMITTED GROUNDS FOR WILLFUL-
2 NESS.—A court may find that an infringer has will-
3 fully infringed a patent only if the patent owner pre-
4 sents clear and convincing evidence that—

5 “(A) after receiving written notice from
6 the patentee—

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

11 “(ii) identifying with particularity
12 each claim of the patent, each product or
13 process that the patent owner alleges in-
14 fringes the patent, and the relationship of
15 such product or process to such claim,
16 the infringer, after a reasonable opportunity to
17 investigate, thereafter performed one or more of
18 the alleged acts of infringement;

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

22 “(C) after having been found by a court to
23 have infringed that patent, the infringer en-
24 gaged in conduct that was not colorably dif-
25 ferent from the conduct previously found to

1 have infringed the patent, and which resulted in
2 a separate finding of infringement of the same
3 patent.

4 “(3) LIMITATIONS ON WILLFULNESS.—(A) A
5 court may not find that an infringer has willfully in-
6 fringed a patent under paragraph (2) for any period
7 of time during which the infringer had an informed
8 good faith belief that the patent was invalid or unen-
9 forceable, or would not be infringed by the conduct
10 later shown to constitute infringement of the patent.

11 “(B) An informed good faith belief within the
12 meaning of subparagraph (A) may be established
13 by—

14 “(i) reasonable reliance on advice of coun-
15 sel;

16 “(ii) evidence that the infringer sought to
17 modify its conduct to avoid infringement once it
18 had discovered the patent; or

19 “(iii) other evidence a court may find suffi-
20 cient to establish such good faith belief.

21 “(C) The decision of the infringer not to
22 present evidence of advice of counsel is not relevant
23 to a determination of willful infringement under
24 paragraph (2).

1 “(4) LIMITATION ON PLEADING.—Before the
2 date on which a court determines that the patent in
3 suit is not invalid, is enforceable, and has been in-
4 fringed by the infringer, a patentee may not plead
5 and a court may not determine that an infringer has
6 willfully infringed a patent. The court’s determina-
7 tion of an infringer’s willfulness shall be made with-
8 out a jury.”.

9 On page 39, line 17, strike “322” and insert
10 “322(1)”.

11 On page 39, line 18, after the period insert the fol-
12 lowing: “For petitions filed under paragraphs (2) or (3)
13 of section 322, the existence, authentication, availability,
14 and scope of any evidence offered to establish invalidity
15 shall be established by clear and convincing evidence. If
16 such predicate facts are so established, invalidity shall be
17 proven only if the persuasive force of such facts dem-
18 onstrates invalidity by a preponderance of the evidence.”.

19 On page 39, lines 20 and 21, strike “In response to
20 a challenge in a petition” and insert “During a post-grant
21 review proceeding”.

1 On page 43, line 19, strike “145” and insert “144”.

2 On page 44, strike lines 12 through 18, and insert
3 “and shall apply to patents issued on or after that date,
4 except that, in the case of a patent issued before the effec-
5 tive date of this Act on an application filed between No-
6 vember 29, 1999 and the effective date of this Act, a peti-
7 tion for post-grant review under section 321 of title 35,
8 United States Code, may only be filed under paragraph
9 (2) or (3) of section 322 of title 35, United States Code.”.

10 On page 49, line 12, after “incorporated” insert “or
11 formed”.

12 On page 49, lines 14 and 15, strike “is located” and
13 insert “has its principal place of business or is incor-
14 porated or formed”.

15 On page 49, strike lines 21 through 25, and insert
16 the following:

17 “(3) where the primary plaintiff resides, if the
18 primary plaintiff in the action is—

19 “(A) an institution of higher education as
20 defined under section 101(a) of the Higher
21 Education Act of 1965 (20 U.S.C. 1001(a)); or

1 “(B) a nonprofit organization that—
2 “(i) qualifies for treatment under sec-
3 tion 501(c)(3) of the Internal Revenue
4 Code (26 U.S.C. 501(c)(3));
5 “(ii) is exempt from taxation under
6 section 501(a) of such Code; and
7 “(iii) serves as the patent and licens-
8 ing organization for an institution of high-
9 er education as defined under section
10 101(a) of the Higher Education Act of
11 1965 (20 U.S.C. 1001(a)); or

12 On page 50, strike lines 6 through 15, and insert the
13 following:

14 “(d) If a plaintiff brings a civil action for patent in-
15 fringement or declaratory judgment relief under sub-
16 section (c), then the defendant may request the district
17 court to transfer that action to another district or division
18 where, in the court’s determination—

19 “(1) any of the parties has substantial evidence
20 or witnesses that otherwise would present consider-
21 able evidentiary burdens to the defendant if such
22 transfer were not granted;

23 “(2) such transfer would not cause undue hard-
24 ship to the plaintiff; and

1 “(3) venue would be otherwise appropriate
2 under section 1391 of this title.”.

3 On page 55, between lines 24 and 25, insert the fol-
4 lowing:

5 (e) RULE OF CONSTRUCTION.—Nothing in this sec-
6 tion shall be construed to affect any other provision of Di-
7 vision B of Public Law 108-447, including section 801(c)
8 of title VII of the Departments of Commerce, Justice and
9 State, the Judiciary and Related Agencies Appropriations
10 Act, 2005.

11 On page 55, line 25, strike “(e)” and insert “(f)”.

12 On page 62, line 15, before “Patent and” insert
13 “United States”.