

## 113<sup>th</sup> Congress, 1<sup>st</sup> Session – H.R. 3309 and IPO Positions

	H.R. 3309 - Goodlatte	IPO Position
<b>1. Cost Shifting Including Attorney Fees</b>	<ul style="list-style-type: none"> <li>• Awards to prevailing party unless non-prevailing party position “substantially justified” or exceptional circumstances make unjust.</li> <li>• If losing party unable to pay, court may make recoverable against joined “interested party.”</li> <li>• Party asserting claim, who later extends covenant not to sue, is deemed “non-prevailing party.”</li> </ul>	<ul style="list-style-type: none"> <li>• Award to prevailing party unless position and conduct of non-prevailing party were objectively reasonable and substantially justified.</li> <li>• Not required if exceptional circumstances make unjust.</li> </ul>
<b>2. Disclosure of Real Party-in-Interest (RPI)</b>	<ul style="list-style-type: none"> <li>• Disclosure to court, USPTO, and adverse parties in infringement suits except ANDA suits; encumbers patent with ongoing duty of disclosure to USPTO.</li> <li>• Includes assignee, entity with right to sublicense or enforce patent, financial interest in patent or plaintiff, and ultimate parent.</li> <li>• Financial interest defined as ownership/control of &gt; 5% of plaintiff or right to receive proceeds from assertion of patent.</li> <li>• Nondisclosing party may not recover fees/damages related to period of noncompliance, and court may award adverse party costs incurred as result of nondisclosure.</li> <li>• Court may join “interested party” upon showing by defendant that plaintiff interest is primarily asserting the patent in litigation.</li> </ul>	<ul style="list-style-type: none"> <li>• Expand current rules to include ultimate parent of owner.</li> <li>• Oppose multiple mandatory disclosures at prescribed times and potential limitation of damages.</li> <li>• Oppose requiring disclosure of non-ownership interests: direct financial interest, exclusive licensees and others with right to enforce patent.</li> </ul>
<b>3. Stays of Litigation Against End Users</b>	<ul style="list-style-type: none"> <li>• Requires stay as to customer where manufacturer is party to same or other action on same patent.</li> <li>• Parties must consent to stay.</li> <li>• Motion must be filed within 120 days.</li> <li>• Customer must agree to be bound by judgment entered against manufacturer.</li> <li>• May be lifted where manufacturer suit will not resolve major issue in customer suit or unjust to party seeking to lift.</li> </ul>	Support stay against customer while suit proceeds against manufacturer. Should be carefully tailored to avoid unintended adverse consequences to innovators, manufacturers and customers.
<b>4. Heightened Pleading Standard for Patent Infringement</b>	<ul style="list-style-type: none"> <li>• Requires pleading each asserted claim, allegedly infringing product or process including names and model numbers if known, and theory of how each accused product or service infringes each asserted claim except in ANDA suits and where information not reasonably accessible.</li> <li>• Requires description of all rights to assert patent.</li> <li>• Requires description of any licensing commitments, e.g. through standard setting.</li> <li>• Requires explanation if of inaccessibility and attempts to access where information not disclosed.</li> <li>• Permits court to allow filing of confidential information under seal.</li> <li>• Eliminates Form 18; Supreme Court may create new form.</li> </ul>	Support modifying Form 18 to include identification of at least one claim alleged to infringe, statement explaining such infringement, and statement addressing any indirect infringement alleged.
<b>5. Post Grant Review and Inter Partes Review</b>	<ul style="list-style-type: none"> <li>• Eliminates provision barring PGR petitioner from later asserting in a civil action that a claim is invalid on any ground that the petitioner “reasonably could have raised” during PGR.</li> <li>• Requires USPTO to change approach to claim construction in PGR and IPR.</li> </ul>	<ul style="list-style-type: none"> <li>• Support eliminating provision barring PGR petitioner from later asserting in civil or ITC action that a claim is invalid on any ground petitioner “reasonably could have raised” during PGR.</li> <li>• Support requiring USPTO to change approach to claim construction in PGR and IPR.</li> </ul>
<b>6. Expanding Transitional Program for Covered Business Method Patents</b>	<ul style="list-style-type: none"> <li>• Eliminates 8-year sunset.</li> <li>• Limits to pre-AIA patents.</li> <li>• Allows USPTO Director to waive fee.</li> </ul>	Oppose
<b>7. Identification of Core Discovery and Discovery Fee Shifting</b>	<ul style="list-style-type: none"> <li>• Limits discovery prior to claim construction ruling to information necessary to construe claims or resolve motions.</li> <li>• Court may expand where resolution within specified period of time affects rights of a party with respect to patent(s).</li> <li>• Instructs Judicial Conference to develop rules: identifying “core documentary evidence” that must be produced by both parties, requiring party seeking additional discovery to bear costs including attorney fees, and allowing court to deny request for additional discovery if excessive, irrelevant, or abusive.</li> <li>• Requires Judicial Conference to study efficacy of rules and procedures for first four years after implementation, authorizes modification following this study.</li> </ul>	n/a
<b>8. Bankruptcy Protection</b>	Bars bankruptcy trustee from terminating certain licenses.	Support
<b>9. Double Patenting</b>	Codifies doctrine of double patenting for first-inventor-to-file patents.	n/a
<b>10. Repeal of 35 U.S.C. §145</b>	Prevents patent applicant rejected by the USPTO from filing suit in district court.	Oppose