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(Original Signature of Member)

115TH CONGRESS
2D SESSION

H. R.

To promote the leadership of the United States in global innovation by establishing a robust patent system that restores and protects the right of inventors to own and enforce private property rights in inventions and discoveries, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. MASSIE introduced the following bill; which was referred to the Committee
on _____

A BILL

To promote the leadership of the United States in global innovation by establishing a robust patent system that restores and protects the right of inventors to own and enforce private property rights in inventions and discoveries, 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 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Restoring America’s Leadership in Innovation Act of
6 2018”.

1 (b) TABLE OF CONTENTS.—The table of contents for
2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Restoring the right of the first inventor to secure a patent.
- Sec. 4. Abolishing inter partes and post-grant review.
- Sec. 5. Abolishing the Patent Trial and Appeal Board.
- Sec. 6. Elimination of fee diversion and full funding of the United States patent and trademark office.
- Sec. 7. Patentability of scientific discoveries and software inventions.
- Sec. 8. Limitations on prior art.
- Sec. 9. Restoring patents as a property right.
- Sec. 10. Ending automatic publication of patent applications.
- Sec. 11. Presumption of validity; defenses.
- Sec. 12. Injunction.
- Sec. 13. Best mode requirement.

3 **SEC. 2. FINDINGS.**

4 The Congress finds the following:

5 (1) The Congress created a patent system to
6 “promote the Progress of Science and useful Arts,
7 by securing for limited Times to Authors and Inven-
8 tors the exclusive Right to their respective Writings
9 and Discoveries,” as provided for in the Constitution
10 of the United States.

11 (2) The Leahy-Smith America Invents Act
12 (Public Law 112–29) enacted on September 16,
13 2011, and several decisions of the Supreme Court
14 have harmed the progress of Science and the useful
15 Arts by eroding the strength and value of the patent
16 system.

17 (3) The United States Government exists to
18 protect life, liberty, and property, which includes in-
19 tellectual property.

1 (4) A United States patent secures a private
2 property right to an inventor.

3 (5) This Act restores the patent system as envi-
4 sioned by the Constitution of the United States.

5 **SEC. 3. RESTORING THE RIGHT OF THE FIRST INVENTOR**
6 **TO SECURE A PATENT.**

7 (a) REPEAL OF FIRST-TO-FILE SYSTEM UNDER THE
8 AMERICA INVENTS ACT.—Section 3 of the Leahy-Smith
9 America Invents Act (Public Law 112–29), including each
10 amendment made by such section, is repealed and any
11 amendment made by such section to any provision shall
12 be effective as if the provision had not been amended by
13 such section.

14 (b) FIRST-TO-INVENT.—Notwithstanding any other
15 provision under title 35, United States Code, a person
16 shall be entitled to a patent where the inventor is first
17 to conceive of the invention and diligently reduces the in-
18 vention to practice.

19 (c) ONE-YEAR GRACE PERIOD.—Notwithstanding
20 any other provision under title 35, United States Code,
21 a person shall be entitled to a one-year grace period before
22 filing an application for a patent, as the grace period ex-
23 isted before the date of the enactment of the Leahy-Smith
24 America Invents Act under section 102 of title 35, United
25 States Code, and with the same meaning of the terms “in

1 public use” and “on sale in this country” as interpreted
2 before the enactment of the Leahy-Smith America Invents
3 Act.

4 (d) SENSE OF CONGRESS.—It is the sense of Con-
5 gress that—

6 (1) reverting the United States patent system
7 from a “first-to-file” system back to “first-to-in-
8 vent” system will promote the progress of science
9 and the useful arts by securing for limited times to
10 inventors the exclusive rights to their discoveries and
11 incentivize innovation and protect inventors’ rights;

12 (2) restoring the one-year grace period before
13 the first and true inventor must file a patent appli-
14 cation on an invention will promote the progress of
15 science and useful arts by enabling inventors once
16 again to disclose inventions in order to attract in-
17 vestment, complete research and development on the
18 invention, test, improve, and perfect the invention so
19 as to improve the invention and the quality of the
20 patent application; and

21 (3) the repeal of section 3, and the amendments
22 made by section 3, of the Leahy-Smith America In-
23 vents Act, restore sections 100, 102, 103, 135, and
24 291 of title 35, United States Code, to the way such

1 sections read on the day before the date of the en-
2 actment of such Act.

3 **SEC. 4. ABOLISHING INTER PARTES AND POST-GRANT RE-**
4 **VIEW.**

5 (a) REPEAL OF INTER PARTES AND POST GRANT
6 REVIEW.—Section 6 of the Leahy-Smith America Invents
7 Act (Public Law 112–29), including each amendment
8 made by such section, is repealed and any amendment
9 made by such section to any provision shall be effective
10 as if the provision had not been amended by such section.

11 (b) REPEAL OF CODIFIED TITLES.—Chapters 31 and
12 32 of title 35, United States Code, are repealed.

13 (c) SENSE OF CONGRESS.—It is the sense of Con-
14 gress that—

15 (1) inter partes review and post-grant review
16 proceedings introduced by the Leahy-Smith America
17 Invents Act have harmed the progress of science and
18 the useful arts by subjecting inventors to serial chal-
19 lenges to patents;

20 (2) inter partes review and post-grant review
21 proceedings invalidate patents at an unreasonably
22 high rate;

23 (3) patent rights should be protected from un-
24 fair adjudication at the Patent and Trademark Of-

1 fice and duly issued patents should be adjudicated in
2 a judicial proceeding;

3 (4) repealing section 6 of the Leahy-Smith
4 America Invents Act abolishes inter partes review,
5 post-grant review, and the previously available inter
6 partes reexamination proceedings; and

7 (5) it is the intent of Congress to preserve ex
8 parte reexamination proceedings under chapter 30 of
9 title 35, United States Code.

10 **SEC. 5. ABOLISHING THE PATENT TRIAL AND APPEAL**
11 **BOARD.**

12 (a) REPEAL OF PATENT TRIAL AND APPEAL
13 BOARD.—Section 7 of the Leahy-Smith America Invents
14 Act (Public Law 112–29) is repealed, including each
15 amendment made by such section, and any amendment
16 made by such section to any provision shall be effective
17 as if the provision had not been amended by such section
18 .

19 (b) BOARD OF PATENT APPEALS AND INTER-
20 FERENCES.—

21 (1) AMENDMENT.—Section 6 of title 35, United
22 States Code, is amended to read as follows:

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

24 “(a) ESTABLISHMENT AND COMPOSITION.—There
25 shall be in the Patent and Trademark Office a Board of

1 Patent Appeals and Interferences. The Director, the Dep-
2 uty Director, the Commissioner for Patents, the Commis-
3 sioner for Trademarks, and the administrative patent
4 judges shall constitute the Board. The administrative pat-
5 ent judges shall be persons of competent legal knowledge
6 and scientific ability who are appointed by the Secretary
7 of Commerce, in consultation with the Director.

8 “(b) DUTIES.—The Board of Patent Appeals and
9 Interferences shall, on written appeal of an applicant, re-
10 view adverse decisions of examiners upon applications for
11 patents and shall determine priority and patentability of
12 invention in interferences declared under section 135(a).
13 Each appeal and interference shall be heard by at least
14 three members of the Board, who shall be designated by
15 the Director. Only the Board of Patent Appeals and Inter-
16 ferences may grant rehearings. The Board shall not invali-
17 date an issued patent except in an ex parte reexamination
18 under chapter 30.

19 “(c) AUTHORITY OF THE SECRETARY.—The Sec-
20 retary of Commerce may, in the Secretary’s discretion,
21 deem the appointment of an administrative patent judge
22 who, before the date of the enactment of this subsection,
23 held office pursuant to an appointment by the Director,
24 to take effect on the date on which the Director initially
25 appointed the administrative patent judge.

1 “(d) DEFENSE TO CHALLENGE OF APPOINTMENT.—
2 It shall be a defense to a challenge to the appointment
3 of an administrative patent judge on the basis of the
4 judge’s having been originally appointed by the Director
5 that the administrative patent judge so appointed was act-
6 ing as a de facto officer.”.

7 (2) TECHNICAL AND CONFORMING AMEND-
8 MENT.—The table of sections for chapter 1 of title
9 35, United States Code, is amended by striking the
10 item relating to section 6 and inserting the following
11 new item:

 “6. Board of patent appeals and interferences.”.

12 (c) APPEAL TO THE BOARD OF PATENT APPEALS
13 AND INTERFERENCES.—

14 (1) AMENDMENT.—Section 134 of title 35,
15 United States Code, as reinstated by section 3(a) of
16 this Act, is amended by striking subsection (c).

17 (2) TECHNICAL AND CONFORMING AMEND-
18 MENT.—The table of sections for chapter 12 of title
19 35, United States Code, is amended by striking the
20 item relating to section 134 and inserting the fol-
21 lowing new item:

 “134. Appeal to the Board of Patent Appeals and Interferences.”.

22 (d) APPEAL TO THE COURT OF APPEALS FOR THE
23 FEDERAL CIRCUIT.—Section 141 of title 35, United
24 States Code, is amended to read as follows:

1 **“§ 141. Appeal to the Court of Appeals for the Federal**
2 **Circuit**

3 “(a) EXAMINATIONS.—An applicant dissatisfied with
4 the decision in an appeal to the Board of Patent Appeals
5 and Interferences under section 134 may appeal the deci-
6 sion directly to the United States Court of Appeals for
7 the Federal Circuit, or may seek review de novo in any
8 district court of the United States of competent jurisdic-
9 tion.

10 “(b) REEXAMINATIONS.—A patent owner who is, in
11 a reexamination proceeding, dissatisfied with the final de-
12 cision in an appeal to the Board of Patent Appeals and
13 Interferences under section 134 may appeal the decision
14 directly to the United States Court of Appeals for the Fed-
15 eral Circuit, or may seek review de novo in a district court
16 of the United States of competent jurisdiction.

17 “(c) INTERFERENCE.— A party to an interference
18 dissatisfied with the decision of the Board of Patent Ap-
19 peals and Interferences on the interference may appeal the
20 decision to the United States Court of Appeals for the
21 Federal Circuit, but such appeal shall be dismissed if any
22 adverse party to such interference, within twenty days
23 after the appellant has filed notice of appeal in accordance
24 with section 142, files notice with the Director that the
25 party elects to have all further proceedings conducted as
26 provided in section 146. If the appellant does not, within

1 thirty days after filing of such notice by the adverse party,
2 file a civil action under section 146, the decision appealed
3 from shall govern the further proceedings in the case.”.

4 (e) SENSE OF CONGRESS.—It is the sense of Con-
5 gress that—

6 (1) the Patent Trial and Appeal Board shall be
7 replaced with the former Board of Patent Appeals
8 and Interferences;

9 (2) with the abolishment of inter partes review
10 and post-grant review proceedings, the Patent Trial
11 and Appeal Board is no longer needed to conduct
12 these duties;

13 (3) unless otherwise in the context of an ex
14 parte reexamination under chapter 30 of title 35,
15 United States Code, the Board of Patent Appeals
16 and Interferences will not be used to invalidate an
17 already issued patent;

18 (4) the changes described in paragraphs (1)
19 through (3) will protect the rights of patent owners
20 who have been granted a patent and ensure a fair,
21 fully adjudicated proceeding to invalidate an issued
22 patent;

23 (5) the amendment to section 6 of title 35,
24 United States Code, reflects Congress’s intent to re-

1 require a judicial proceeding to invalidate an issued
2 patent; and

3 (6) the amendments to section 134 of title 35,
4 United States Code, and section 141 of title 35,
5 United States Code, are intended to restore each re-
6 spective section to its prior state, but delete any ref-
7 erence to inter partes reexamination, which is no
8 longer available.

9 **SEC. 6. ELIMINATION OF FEE DIVERSION AND FULL FUND-**
10 **ING OF THE UNITED STATES PATENT AND**
11 **TRADEMARK OFFICE.**

12 (a) PATENT AND TRADEMARK OFFICE FUNDING.—
13 Section 42 of title 35, United States Code, is amended—

14 (1) in subsection (a), by striking “(a) All fees”
15 and inserting “(A) IN GENERAL.—Fees”;

16 (2) in subsection (b)—

17 (A) by striking “(b) All fees” and inserting
18 “(B) CREDIT OF FEES.—Fees”; and

19 (B) by striking “Patent and Trademark
20 Office Appropriation Account” and inserting
21 “United States Patent and Trademark Office
22 Innovation Promotion Fund”;

23 (3) in subsection (c)—

1 (A) by striking “(1) To the extent” and all
2 that follows through “fees” and inserting “(C)
3 USE OF FEES.—(1) Fees”;

4 (B) in paragraph (1), by striking “shall be
5 collected by and shall, subject to paragraph (3),
6 be available to the Director” and inserting
7 “shall be collected by the Director and shall be
8 available to the Director until expended”;

9 (C) by striking paragraph (2); and

10 (D) by redesignating paragraph (3) as
11 paragraph (2);

12 (4) by redesignating subsections (d) and (e) as
13 subsections (e) and (f), respectively;

14 (5) by inserting after subsection (e) the fol-
15 lowing:

16 “(d) REVOLVING FUND.—

17 “(1) DEFINITIONS.—In this subsection:

18 “(A) FUND.—The term ‘Fund’ means the
19 United States Patent and Trademark Office In-
20 novation Promotion Fund established under
21 paragraph (2).

22 “(B) TRADEMARK ACT OF 1946.—The term
23 ‘Trademark Act of 1946’ means the Act enti-
24 tled ‘An Act to provide for the registration and
25 protection of trademarks used in commerce, to

1 carry out the provisions of certain international
2 conventions, and for other purposes’, approved
3 July 5, 1946 (15 U.S.C. 1051 et seq.) (com-
4 monly referred to as the ‘Trademark Act of
5 1946’ or the ‘Lanham Act’).

6 “(2) ESTABLISHMENT.—There is established in
7 the Treasury a revolving fund to be known as the
8 ‘United States Patent and Trademark Office Inno-
9 vation Promotion Fund’.

10 “(3) DERIVATION OF RESOURCES.—There shall
11 be deposited into the Fund any fees collected
12 under—

13 “(A) this title; or

14 “(B) the Trademark Act of 1946.

15 “(4) EXPENSES.—Amounts deposited into the
16 Fund under paragraph (3) shall be available, with-
17 out fiscal year limitation, to cover—

18 “(A) all expenses to the extent consistent
19 with the limitation on the use of fees set forth
20 in subsection (c), including all administrative
21 and operating expenses, determined in the dis-
22 cretion of the Director to be ordinary and rea-
23 sonable, incurred by the Director for the contin-
24 ued operation of all services, programs, activi-
25 ties, and duties of the Office relating to patents

1 and trademarks, as such services, programs, ac-
2 tivities, and duties are described under—

3 “(i) this title; and

4 “(ii) the Trademark Act of 1946; and

5 “(B) all expenses incurred pursuant to any
6 obligation, representation, or other commitment
7 of the Office.”;

8 (6) in subsection (e), as so redesignated, by
9 striking “The Director” and inserting “REFUNDS.—
10 The Director”; and

11 (7) in subsection (f), as so redesignated, by
12 striking “The Secretary” and inserting “REPORT.—
13 The Secretary”.

14 (b) EFFECTIVE DATE; TRANSFER FROM AND TERMI-
15 NATION OF OBSOLETE FUNDS.—

16 (1) EFFECTIVE DATE.—The amendments made
17 by subsection (a) shall take effect on the first day
18 of the first fiscal year that begins on or after the
19 date of the enactment of this Act.

20 (2) REMAINING BALANCES.—There shall be de-
21 posited in the Fund, on the effective date described
22 in paragraph (1), any available unobligated balances
23 remaining in the Patent and Trademark Office Ap-
24 propriation Account, and in the Patent and Trade-
25 mark Fee Reserve Fund established under section

1 42(c)(2) of title 35, United States Code, as in effect
2 on the day before the effective date.

3 (3) TERMINATION OF RESERVE FUND.—Upon
4 the payment of all obligated amounts in the Patent
5 and Trademark Fee Reserve Fund under paragraph
6 (2), the Patent and Trademark Fee Reserve Fund
7 shall be terminated.

8 **SEC. 7. PATENTABILITY OF SCIENTIFIC DISCOVERIES AND**
9 **SOFTWARE INVENTIONS.**

10 (a) AMENDMENT.—Section 101 of title 35, United
11 States Code, is amended to read as follows:

12 **“§ 101. Inventions patentable**

13 “(a) IN GENERAL.—Whoever invents or discovers
14 any new and useful process, machine, manufacture, or
15 composition of matter, or any new and useful improvement
16 thereof, may obtain a patent therefor, subject to the condi-
17 tions and requirements of this title.

18 “(b) EXCEPTION.—A claimed invention is ineligible
19 patent subject matter under subsection (a) if the claimed
20 invention as a whole, as understood by a person having
21 ordinary skill in the art, exists in nature independently
22 of and prior to any human activity, or exists solely in the
23 human mind.

24 “(c) ELIGIBILITY STANDARD.—The eligibility of a
25 claimed invention under subsections (a) and (b) shall be

1 determined without regard as to the requirements or con-
2 ditions of sections 102, 103, and 112 of this title, or the
3 claimed invention’s inventive concept.”.

4 (b) SENSE OF CONGRESS.—It is the sense of Con-
5 gress that—

6 (1) the Supreme Court’s recent jurisprudence
7 concerning subject matter patentability has harmed
8 the progress of science and the useful arts;

9 (2) the United States patent system must pro-
10 tect and encourage research and development in
11 such scientific disciplines as would promote the
12 progress of science and the useful arts by securing
13 for limited times to inventors the exclusive rights to
14 their discoveries and provide scientists in the life
15 sciences, computer sciences, and other disciplines,
16 with certainty that their discoveries and inventions
17 are entitled to patent protection; and

18 (3) this amendment effectively abrogates *Alice*
19 *Corp. v. CLS Bank International*, 134 S. Ct. 2347
20 (2014) and its predecessors to ensure that life
21 sciences discoveries, computer software, and similar
22 inventions and discoveries are patentable, and that
23 those patents are enforceable.

1 **SEC. 8. LIMITATIONS ON PRIOR ART.**

2 Section 102 of title 35, United States Code, is
3 amended to read as follows:

4 **“§ 102. Conditions for patentability; novelty**

5 “(a) IN GENERAL.—A person shall be entitled to a
6 patent unless—

7 “(1) the invention was known or used by others
8 in this country, or patented or described in a printed
9 publication in this or a foreign country, before the
10 invention thereof by the applicant for patent, or

11 “(2) the invention was patented or described in
12 a printed publication in this or a foreign country or
13 in public use or on sale in this country, more than
14 one year prior to the date of the application for pat-
15 ent in the United States, or

16 “(3) he has abandoned the invention, or

17 “(4) the invention was first patented or caused
18 to be patented, or was the subject of an inventor’s
19 certificate, by the applicant or his legal representa-
20 tives or assigns in a foreign country prior to the
21 date of the application for patent in this country on
22 an application for patent or inventor’s certificate
23 filed more than twelve months before the filing of
24 the application in the United States, or

25 “(5) the invention was described in (1) an ap-
26 plication for patent, published under section 122(b),

1 by another filed in the United States before the in-
2 vention by the applicant for patent or (2) a patent
3 granted on an application for patent by another filed
4 in the United States before the invention by the ap-
5 plicant for patent, except that an international appli-
6 cation filed under the treaty defined in section
7 351(a) shall have the effects for the purposes of this
8 subsection of an application filed in the United
9 States only if the international application des-
10 ignated the United States and was published under
11 Article 21(2) of such treaty in the English language;
12 or

13 “(6) he did not himself invent the subject mat-
14 ter sought to be patented; or

15 “(7)(A) during the course of an interference
16 conducted under section 135 or section 291, another
17 inventor involved therein establishes, to the extent
18 permitted in section 104, that before such person’s
19 invention thereof the invention was made by such
20 other inventor and not abandoned, suppressed, or
21 concealed, or (B) before such person’s invention
22 thereof, the invention was made in this country by
23 another inventor who had not abandoned, sup-
24 pressed, or concealed it. In determining priority of
25 invention under this subsection, there shall be con-

1 sidered not only the respective dates of conception
2 and reduction to practice of the invention, but also
3 the reasonable diligence of one who was first to con-
4 ceive and last to reduce to practice, from a time
5 prior to conception by the other.

6 “(b) DISCLOSURES IN PATENT APPLICATIONS AND
7 PATENTS.—A disclosure shall not be prior art to a claimed
8 invention under this section if before the issuance of a pat-
9 ent—

10 “(1) the information disclosed was obtained di-
11 rectly or indirectly from the inventor or a joint in-
12 ventor;

13 “(2) the information disclosed to the Office or
14 another party during the one-year period prior to
15 the date of the application for patent had, before a
16 patent application for the information was effectively
17 filed, been publicly disclosed by the inventor or a
18 joint inventor; or

19 “(3) the information disclosed and the claimed
20 invention, not later than the effective filing date of
21 the claimed invention, were owned by the same per-
22 son or subject to an obligation of assignment to the
23 same person.”.

24 **SEC. 9. RESTORING PATENTS AS A PROPERTY RIGHT.**

25 (a) PRIVATE PROPERTY PATENT RIGHT.—

1 (1) AMENDMENT.—Chapter 10 of title 35,
2 United States Code, is amended by adding at the
3 end the following new section:

4 **“§ 106. Private property patent right**

5 “A patent right is a private property right secured
6 to an inventor upon issuance of the patent that shall only
7 be revoked by a court ruling in a judicial proceeding, un-
8 less the patent owner consents to an administrative or
9 other procedure.”.

10 (2) TECHNICAL AND CONFORMING AMEND-
11 MENT.—The table of sections for chapter 10 of title
12 35, United States Code, is amended by adding at
13 the end the following new item:

 “106. Private property patent right.”.

14 (b) OWNERSHIP; ASSIGNMENT.—Section 261 of title
15 35, United States Code, is amended—

16 (1) in the first sentence, by striking “patents
17 shall have the attributes of personal property” and
18 inserting the following: “patents shall be recognized
19 as private property rights”; and

20 (2) by inserting after the second sentence the
21 following:

22 “As private property rights, applications for patents,
23 patents, and interests therein shall be freely transferrable,
24 in whole or in part, including conveyance by assignment
25 or license. Any successors, heirs, assigns, or licensees of

1 a patent owner, who receive a lesser interest in a patent,
2 shall be subject to any and all restrictions of their interest
3 in the patent, provided that the successors, heirs, assigns,
4 or licensees have actual or constructive notice of such re-
5 strictions.”.

6 (c) SENSE OF CONGRESS.—It is the sense of Con-
7 gress that—

8 (1) recent jurisprudence of the United States
9 Supreme Court, including *Impression Products Inc.*
10 *v. Lexmark International, Inc.*, have harmed the
11 progress of science and the useful arts by limiting
12 the ability of patent owners to exclude unlicensed
13 customers from their supply chains; and

14 (2) meaningful patent rights must permit pat-
15 ent owners to freely assign their rights in whole, or
16 in part, and to ensure that successors, heirs, or as-
17 signs of a patent owner, or their assigns, are duly
18 bound by restrictions or exclusions set by patent
19 owners on the use of their property.

20 **SEC. 10. ENDING AUTOMATIC PUBLICATION OF PATENT AP-**
21 **PLICATIONS.**

22 (a) AMENDMENT.—Section 122(b) of title 35, United
23 States Code, is amended to read as follows:

24 “(b) PUBLICATION.—

1 “(1) IN GENERAL.—Each application for a pat-
2 ent shall be published, in accordance with procedures
3 determined by the Director, only upon the request of
4 the patent applicant.

5 “(2) INFORMATION RELEASED ONCE A PATENT
6 ISSUES.—No information concerning a patent appli-
7 cation shall be available to the public unless and
8 until a patent issues.”.

9 (b) SENSE OF CONGRESS.—It is the sense of Con-
10 gress that—

11 (1) automatic publication of patent applications
12 after 18 months has harmed the progress of science
13 and the useful arts by creating “prior art” by oper-
14 ation of law that prevents a patent owner from ap-
15 plying for a patent on the same invention if a patent
16 does not issue; and

17 (2) automatic publication of patent applications
18 encourages early disclosure of claimed inventions
19 and subjects innovative inventions and discoveries
20 reduced to practice in the United States to theft or
21 appropriation by foreign competitors.

22 **SEC. 11. PRESUMPTION OF VALIDITY; DEFENSES.**

23 (a) VALIDITY OF A PATENT IN ADJUDICATORY PRO-
24 CEEDINGS.—Section 282(a) of title 35, United States
25 Code, is amended to read as follows:

1 “(a) IN GENERAL.—

2 “(1) PRESUMPTION OF VALIDITY FOR A PAT-
3 ENT.—In any judicial or administrative proceeding
4 conducted in any court or Federal agency (as de-
5 fined in section 201) or of any State, a patent issued
6 under this title shall be presumed valid.

7 “(2) PRESUMPTION OF VALIDITY FOR CLAIMS
8 OF A PATENT.— In any proceeding described under
9 paragraph (1)—

10 “(A) each claim of a patent (whether in
11 independent, dependent, or multiple dependent
12 form) shall be presumed valid independently of
13 the validity of other claims; and

14 “(B) dependent or multiple dependent
15 claims shall be presumed valid even though de-
16 pendent upon an invalid claim.

17 “(3) BURDEN OF ESTABLISHING INVALIDITY.—
18 In any proceeding described under paragraph (1) in
19 which the validity of a patent is at issue, the burden
20 of establishing invalidity of a patent or any claim
21 thereof rests on the party asserting the invalidity by
22 clear and convincing evidence.”.

23 (b) TOLLING PATENT TERM DURING JUDICIAL
24 CHALLENGE.—Section 282 of title 35, United States
25 Code, is amended by adding at the end the following:

1 “(d) TOLLING OF PATENT TERM DURING VALIDITY
2 CHALLENGE.—In an action involving a patent where the
3 validity of the patent has been challenged, the patent term
4 shall be tolled from the time the validity of the patent is
5 challenged to the time of resolution of the validity issue
6 by the court. The patent term shall resume once the valid-
7 ity challenge is resolved. The court may award damages
8 to the patent owner in a case in which another party
9 brought a validity claim against the patent in bad faith.”.

10 **SEC. 12. INJUNCTION.**

11 Section 283 of title 35, United States Code, is
12 amended—

13 (1) by striking “The” and inserting the fol-
14 lowing: to read as follows:

15 “(a) IN GENERAL.—The”; and

16 (2) by adding at the end the following new sub-
17 section:

18 “(b) PERMANENT INJUNCTION.—

19 “(1) IN GENERAL.—Upon a finding of infringe-
20 ment of a patent, the court shall presume that fur-
21 ther infringement of the patent would cause the pat-
22 ent owner irreparable harm. This presumption may
23 be overcome only by a showing of clear and con-
24 vincing evidence by the infringing party that the
25 patent owner would not be irreparably harmed by

1 further infringement of the patent. The patent
2 owner is not required to make or sell a product cov-
3 ered by the patent to show irreparable harm.

4 “(2) PATENT OWNER DEFINED.—In this sub-
5 section, a ‘patent owner’ means the owner of the
6 patent or an exclusive licensee of the patent.”.

7 **SEC. 13. BEST MODE REQUIREMENT.**

8 Section 15 of the Leahy-Smith America Invents Act
9 (Public Law 112–29), including each amendment made by
10 such section, is repealed and any provision amended by
11 such section shall be amended to read as in effect on the
12 day before the date of the enactment of such Act.