

## 113<sup>th</sup> Congress, 1<sup>st</sup> Session – Bills/Recommendations to Address Abusive Patent Litigation

Issue	H.R. ___ - Goodlatte Draft	H.R. 845 - "SHIELD"	H.R. 2024 - Deutch	S. 866 - Schumer	S. 1013 - Cornyn	President's Recommendations	IPO Position
<b>1. Cost Shifting Including Attorney Fees</b>	<ul style="list-style-type: none"> <li>Amends 35 U.S.C. § 285 by striking "in exceptional cases."</li> <li>Awards to party making an offer of settlement that is rejected (codifies Rule 68).</li> </ul>	<ul style="list-style-type: none"> <li>Awards to prevailing party asserting invalidity or noninfringement if patent owner is not: 1) an inventor or original assignee, 2) producing or selling item covered by patent, or 3) a university or technology transfer organization.</li> <li>Not required if exceptional circumstances make unjust.</li> </ul>	n/a	n/a	<ul style="list-style-type: none"> <li>Awards to prevailing party unless position and conduct "objectively reasonable and substantially justified" or exceptional circumstances make unjust.</li> <li>If losing party unable to pay, court may make recoverable against any interested party.</li> </ul>	Provide district courts more discretion to award fees under 35 U.S.C. § 285 .	<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.</li> <li>Disclosure to USPTO upon sending 20 or more demand letters within 1-year period.</li> <li>Includes ultimate parent, each entity with right to license, and exclusive licensees.</li> <li>Court may award adverse party costs incurred as result of nondisclosure, to discover correct information about RPI.</li> <li>Nondisclosure eliminates possibility of recovering treble damages.</li> <li>Enables Director to promulgate fee to implement.</li> </ul>	n/a	<ul style="list-style-type: none"> <li>Disclosure to USPTO of RPI and owner upon patent grant, payment of maintenance fees, and within 6 days after transfer of ownership.</li> <li>Includes ultimate parent, others with direct financial interest, exclusive licensees and others with right to enforce patent.</li> <li>Nondisclosing party may only recover damages prospectively from date on which disclosure requirement met.</li> </ul>	n/a	<ul style="list-style-type: none"> <li>Requires disclosure in complaint alleging patent infringement, along with description of plaintiff's business, identification of owners of licenses or any legal right to enforce or financial interest in patent.</li> <li>Court can join "interested party" upon showing by defendant that plaintiff's interest is primarily asserting the patent in litigation.</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure to upon sending demand letters, filing infringement suit, or seeking USPTO review.</li> <li>Enable USPTO and district courts to impose sanctions for non-compliance.</li> <li>Directs USPTO to initiate rulemaking process to require disclosure of ultimate parent in proceedings before USPTO.</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. Stay of Litigation Against End Users</b>	Allows manufacturer of allegedly infringing product to intervene and stay cases against downstream customers and retailers.	n/a	n/a	n/a	n/a	Stay suit against customer when suit has also been brought against manufacturer.	Support stay against customer while suit proceeds against manufacturer.
<b>4. Heightened Pleading Standard for Patent Infringement</b>	Eliminates Form 18; requires creation of new form(s) setting out model allegations of patent infringements to meet these requirements: notify accused infringers of asserted claim(s), products or services alleged to infringe, and plaintiff's theory of how each accused product or service meets each limitation of each asserted claim.	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>Requires pleading with particularity each asserted claim, products or services alleged to infringe, and plaintiff's theory of how each accused product or service meets each limitation of each asserted claim.</li> <li>Requires amendment of Form 18 consistent with these requirements.</li> </ul>	n/a	

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<b>5. Post Grant Review and Inter Partes Review</b>	<ul style="list-style-type: none"> <li>Changes estoppel provision for PGR proceedings.</li> <li>Requires USPTO to change approach to claim construction in PGR and IPR.</li> </ul>	n/a	n/a	n/a	n/a	Permit wider range of challengers to petition for review of issued patents before PTAB.	Require USPTO to change approach to claim construction in PGR and IPR.
<b>6. Expanding Transitional Program for Covered Business Method Patents</b>	n/a	n/a	n/a	Broadens definition of "covered business method patent" by deleting limitation to "a financial product" and eliminates 8-year sunset provision from AIA section 18.	n/a	Broaden definition of "covered business method patent."	
<b>6. Identification of Core Discovery and Discovery Fee Shifting</b>	<ul style="list-style-type: none"> <li>Each party responsible for producing "core documentary evidence," defined as documents relating to: application for the patent at issue; technical operation of allegedly infringing item; potentially invalidating prior art; license agreements; revenue generated by allegedly infringing items; each party's financial statements and organizational structure, including RPI; knowledge of accused infringer; marking or other notice of patents at issue.</li> <li>Party seeking "additional discovery" bears costs including attorney fees.</li> </ul>	n/a	n/a	n/a	<ul style="list-style-type: none"> <li>Each party responsible for producing "core documentary evidence."</li> <li>Party seeking "additional discovery" bears costs including attorney fees.</li> <li>Limits discovery until after claim construction has been completed.</li> </ul>	n/a	
<b>7. Bankruptcy Protection</b>	Bars bankruptcy trustee from terminating certain licenses.	n/a	n/a	n/a	n/a	n/a	Support
<b>8. Double Patenting</b>	Codifies doctrine of double patenting for first-inventor-to-file patents.	n/a	n/a	n/a	n/a	n/a	
<b>9. Repeal of 35 U.S.C. §145</b>	Prevents patent applicant rejected by the USPTO from filing suit in district court.	n/a	n/a	n/a	n/a	n/a	Oppose