Yesterday, the full House passed H.R. 6621, but with the strong opposition of Congressman Rohrabacher to Sec. 1(m) which requires a report to Congress on the several hundred pre-GATT pending patent applications (as opposed to the notorious original provision that would have effectively terminated many if not most of the applications by cutting their patent term).

Congressman Rohrabacher’s main comments are as follows:

[T]here is one provision in this bill that raises significant concerns and needs to be addressed. I would ask my friend from Michigan [Mr. Conyers] perhaps to consider this and perhaps reconsider his position on the bill, because I'm sure he does not know about this.

Our country's patent system has long been one of the strongest in the world.

One of its basic tenets has been the steadfast adherence to the principle of total confidentiality of a patent application until the patent is granted. Congress has repeatedly stood by that principle even though there have been many powerful forces in this country trying to eliminate that concept, but we've stood by this principle that these applicants should have confidentiality as their application works its way through the patent system. It prevents the big guys with money and power from attacking and neutralizing the little guys with genius but few resources.

H.R. 6621 threatens to disrupt this longstanding practice and principle by requiring the United States Patent and Trademark Office to submit a report to Congress on certain patent application sections. This report, as mandated by this bill, will include information about the applications that have been traditionally kept confidential, including the name of the inventor, which has always been confidential to prevent these inventors from attack by very powerful interests who would steal their invention.

[T]his legislation requires the PTO, in their report to Congress, to report the names of the applicants. *** There is a requirement to report the names [of the inventors], so this bill requires in this report to have the names of the applicants and other identifying information that could be used by powerful outside groups –
yes, read that foreign and multinational corporations – to make these applicants potential targets even before their patent is granted. ***

So I would ask my colleagues to oppose this legislation until it is [amended] so we are not going to hurt the little inventors and hurt our country's ability on the technology front by trying to make a few technical corrections to the way the Patent Office does its job.

Remarks of Congressman Rohrabacher, Congressional Record, pp. 6843-44 (December 18, 2012).

It is now unclear whether the Senate will pass this legislation before Congress adjourns within the coming days. The complete floor debate insofar as it relates to Sec. 1(m) is attached as an appendix.

Regards,

Hal
Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6621) to correct and improve certain provisions of the Leahy-Smith America Invents Act and title 35, United States Code, as amended. * * *

The text of the bill is as follows:

H.R. 6621

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TECHNICAL CORRECTIONS.

* * *

(m) Report on Pre-GATT Applications.--Using existing resources, not later than four months after the date of the enactment of this Act, the Director of the United States Patent and Trademark Office shall submit a report to the Committees on the Judiciary of the United States House of Representatives and the Senate that describes—

(1) the total number of pending United States applications for patent that--

(A) are not subject to an order under section 181 of title 35, United States Code; and

(B) were filed before the effective date of the amendments made by section 532 of the Uruguay Round Agreements Act (Public Law 103-465; 108 Stat. 4983);

(2) the filing date of each such application;
(3) the filing date of the earliest application for which each such application claims the benefit of or a right of priority to its filing date;

(4) the inventor and assignee named on each such application;

(5) the amount of time that examination of each such application has been delayed because of a proceeding under section 135(a) of title 35, United States Code, an appeal to the Patent Trial and Appeal Board under section 134(a) of such title, a civil action in a United States District Court under section 145 or 146 of such title, or an appeal to the United States Court of Appeals for the Federal Circuit under section 141 of such title; and

(6) other information about such applications that the Director believes is relevant to their pendency.

(n) Clerical Amendment.--Section 123(a) of title 35, United States Code, is amended in the matter preceding paragraph (1) by inserting "of this title" after "For purposes".

(o) Effective Date.--Except as otherwise provided in this Act, the amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply to proceedings commenced on or after such date of enactment.

* * *

Mr. SMITH of Texas. *** Mr. Speaker, the Leahy-Smith America Invents Act, or AIA, was signed into law on September 16, 2011. It was the first major patent reform bill in over 60 years and the most substantial reform of U.S. patent law since the 1836 Patent Act. The Leahy-Smith AIA reestablishes the United States patent system as a global standard.

Over the past year, the Patent Office has worked diligently to implement the provisions of the act to ensure that the bill realizes its full potential to promote innovation and create jobs. The bill that we consider today includes several technical corrections and improvements that ensure that the implementation of the bill can proceed efficiently and effectively.

The bill is supported by all sectors of our economy from across the United States, including manufacturers, universities, technology, pharmaceutical and biotech companies, and innovators. I've also received letters in support from the Coalition
for 21st Century Patent Reform, which represents manufacturers, pharmaceutical, technology, defense companies, and universities; the Innovation Alliance, which represents high-tech companies and licensors; and the BSA, the Business Software Alliance, which represents a range of high technology and software companies.

The Leahy-Smith AIA fundamentally changes our Nation's innovation infrastructure. With any such substantive and wide-ranging legislation, unforeseen issues may arise as implementation occurs. H.R. 6621 corrects many of these issues.

This package consists of several technical corrections to the AIA that are essential to the effective implementation of the bill. Other technical corrections and improvements may arise in the future, for example, the issue surrounding the correction of the post-grant review estoppel provision in the Leahy-Smith AIA. This was the result of an inadvertent scrivener's error, an error that was made by legislative counsel. That technical error has resulted in an estoppel provision with a higher threshold than was intended by either House of Congress.

Additionally, we must remain watchful as we examine ways to deal with the abusive and frivolous litigation that American innovators face from patent assertion entities or patent trolls.

As the provisions of the Leahy-Smith AIA continue to take effect, our Nation's innovation infrastructure becomes much stronger, unleashing the full potential of American innovators and job creators.

Mr. Speaker, I urge my colleagues to support this bill, and I reserve the balance of my time.

Mr. CONYERS. *** Members of the House, I rise in support, as well, of H.R. 6621 because it's a measure that improves the America Invents Act – the most significant reform to the Patent Act law since 1952 – that was signed by President Obama last year.

As many of my colleagues may recall, I had concerns about the act as to whether it would benefit large multinationals at the expense of independent inventors, and thereby harm job creation in our Nation. For this reason, I opposed the version of the patent bill that was considered by the House last year; but given the fact that
this bill is now law, our focus should be on how it can be improved. That's why I support it presently, because it accomplishes that very goal in several respects.

*** [W]e find that this bill is necessary and has made the necessary commonsense technical corrections and involves including any substantive revisions to the act. So it's my hope that the Judiciary Committee will continue its oversight of the act into the next Congress and consider ways in which it can be further improved.

I commend the chairman of the committee for his moving this bill forward, and I urge my colleagues to support this legislation. ****

Mr. ROHRABACHER. Mr. Speaker, I rise in strong opposition to H.R. 6621. The bill being considered is being promoted as a technical corrections piece of legislation, and by and large that's exactly what it is. But also, there is one provision in this bill that raises significant concerns and needs to be addressed. I would ask my friend from Michigan perhaps to consider this and perhaps reconsider his position on the bill, because I'm sure he does not know about this.

Our country's patent system has long been one of the strongest in the world. One of its basic tenets has been the steadfast adherence to the principle of total confidentiality of a patent application until the patent is granted. Congress has repeatedly stood by that principle even though there have been many powerful forces in this country trying to eliminate that concept, but we've stood by this principle that these applicants should have confidentiality as their application works its way through the patent system. It prevents the big guys with money and power from attacking and neutralizing the little guys with genius but few resources.

H.R. 6621 threatens to disrupt this longstanding practice and principle by requiring the United States Patent and Trademark Office to submit a report to Congress on certain patent application sections. This report, as mandated by this bill, will include information about the applications that have been traditionally kept confidential, including the name of the inventor, which has always been confidential to prevent these inventors from attack by very powerful interests who would steal their invention.
While the technical contents of the applications would be most likely not included in the report, this legislation [H6844] requires the PTO, in their report to Congress, to report the names of the applicants. *** There is a requirement to report the names [of the inventors], so this bill requires in this report to have the names of the applicants and other identifying information that could be used by powerful outside groups – yes, read that foreign and multinational corporations – to make these applicants potential targets even before their patent is granted.

Anonymity could easily be accomplished by a simple change to one section of this bill. Perhaps the PTO could create a unique identifier for each applicant so that they could easily be tracked but without giving risk that the public would know about this and be able to identify the inventor.

We can make this a good bill. We just need to take a couple words out of it or one small section out of it, because as the ranking member suggested, it does a lot of good, but it does a lot of harm, much more harm, unless we take this out of the bill.

So I would ask my colleagues to oppose this legislation until it is perfected so we are not going to hurt the little inventors and hurt our country's ability on the technology front by trying to make a few technical corrections to the way the Patent Office does its job.

***

Mr. SMITH of Texas. *** The report on pre-GATT applications refers to applications that were filed prior to the Uruguay Round amendments taking effect in June 1995. The 103rd Congress intended for a brief transition period as the United States patent system was updated. Unfortunately, a small number of applicants have engaged in clearly dilatory behavior and continue to maintain pending applications with effective filing dates that predate 1995. In fact, some of these applications have been pending for 20, 30, and even 40 years.

The 103rd Congress never intended for such applications to stay pending for half a century. To remove such technology from the public domain in 2012, would bear no relation to the patent system's Constitutional purpose to promote the progress of science and the useful arts.

Now it is important for the 113th Congress and the Public to learn fully about these applications from the USPTO. The Committee expects that the report will
contribute to an understanding of whether these applications present special circumstances that require further action to protect the public’s interests.

Those who may have concerns about this report must understand that there is no way to ``target'' these submarine applications – the targets are, in fact, the people who will be sued once these submarine patents surface. The real targets are American job creators like small businesses, innovators and university researchers. And the public has a right to know in advance if certain widely used and long known technology is about to be withdrawn from the public domain.

The patent system was never intended to be a playground for trial lawyers and frivolous lawsuits. Sound patents should issue in a timely manner and should be used to create wealth and jobs. ***

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. Smith) that the House suspend the rules and pass the bill, H.R. 6621, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. ROHRABACHER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.