

**AMENDMENT TO THE RULES COMMITTEE PRINT  
OF H.R. 3309  
OFFERED BY MR. POLIS OF COLORADO**

Page 25, insert the following after line 7, and redesignate succeeding sections and references thereto accordingly, and amend the table of contents accordingly:

1 **SEC. 6. ADDITIONAL REQUIREMENTS FOR DEMAND LET-**  
2 **TERS.**

3 (a) DISCLOSURE OF INFORMATION ON PATENT OWN-  
4 ERSHIP.—

5 (1) IN GENERAL.—Chapter 26 of title 35,  
6 United States Code, is amended by adding at the  
7 end the following new section:

8 **“§ 263. Disclosure of information related to patent**  
9 **ownership**

10 “(a) DEMAND LETTER DISCLOSURE.—Any entity  
11 that sends 20 or more demand letters during any 365-  
12 day period shall, not later than the disclosure deadline,  
13 submit to the Patent and Trademark Office with respect  
14 to each patent that was the subject in each such letter  
15 the following:

16 “(1) Identification of the patent and confirma-  
17 tion that the entity that sent the letter is the owner

1 of the patent (or a representative of such person)  
2 and is the last recorded entity in the records of the  
3 Patent and Trademark Office for purposes of as-  
4 signment, grant, or conveyance under this chapter.

5 “(2) Identification of the entity that has the  
6 right to license the patent or, in the case of a patent  
7 already exclusively licensed, the name of the exclu-  
8 sive licensee.

9 “(3) Identification of each entity asserting a  
10 claim with regard to a patent in such letter in ac-  
11 cordance with subsection (b).

12 “(4) Identification of each obligation to license  
13 the patent on reasonable and nondiscriminatory  
14 terms, including a copy of each letter of assurance  
15 to each standard-setting organization with respect to  
16 such obligation, and the financial terms, including  
17 the rate, at which such patent has been licensed pur-  
18 suant to such obligation.

19 “(5) Identification of the ultimate parent entity  
20 of such entity.

21 “(6) Identification of the number of entities  
22 that received a demand letter from the entity that  
23 sent the letter.

24 “(7) Identification of any case that has been  
25 filed by such entity relating to each such patent, in-

1 including the docket number and the court in which  
2 the case was filed.

3 “(8) Identification of any ex parte review under  
4 chapter 30 or inter partes review under chapter 31  
5 of such patent.

6 “(9) Any required registration fee established  
7 with regard to this section.

8 “(b) INFORMATION NOT READILY ACCESSIBLE.—An  
9 entity required to disclose the information described under  
10 subsection (a) shall include with such disclosure a descrip-  
11 tion of any information described under subsection (a)  
12 that is not disclosed, why such undisclosed information  
13 was not readily accessible, and the efforts made by such  
14 entity to access such undisclosed information.

15 “(c) IDENTIFICATION.—

16 “(1) PUBLICLY TRADED.—For purposes of sub-  
17 section (a)(3), if the entity to be identified is owned  
18 or controlled by a corporation traded on a public  
19 stock exchange, an identification of the publicly  
20 traded corporation and the public stock exchange  
21 shall be sufficient.

22 “(2) NOT PUBLICLY TRADED.—For purposes of  
23 subsection (a)(3), if the entity to be identified is not  
24 owned or controlled by a publicly traded corporation,  
25 the information shall identify—

1           “(A) in the case of a partnership, the  
2 name and address of each partner or other enti-  
3 ty, holding more than a 5 percent share of that  
4 partnership;

5           “(B) in the case of a corporation, the loca-  
6 tion of incorporation and the name of each offi-  
7 cer of the corporation;

8           “(C) in the case of an entity that is di-  
9 rectly or indirectly controlled by another entity,  
10 the name and address of the entity and each  
11 other entity, and the name, address, location of  
12 incorporation, and each officer or partner of the  
13 entity and each other entity; and

14           “(D) for each individual, the name and ad-  
15 dress of that individual.

16           “(3) NUMBER OF DEMAND LETTERS.—The re-  
17 quirement under subsection (a)(6) shall be updated  
18 regularly by the Director.

19           “(d) FAILURE TO COMPLY.—

20           “(1) MONETARY SANCTIONS.—Any entity that  
21 does not meet the requirements of this section with  
22 regard to a patent or the disclosure requirements  
23 with respect to a demand letter under section 264  
24 may be subject to monetary sanctions by a court in  
25 an action brought by such entity with regard to in-

1 fringement or validity of such patent, for an amount  
2 to be awarded to the adverse party that covers any  
3 cost incurred by the adverse party resulting from the  
4 failure of such entity to meet the requirements of  
5 this section, including any reasonable cost incurred  
6 by such adverse party to discover the correct and  
7 complete information described under subsection (a)  
8 with regard to such patent, unless such sanctions  
9 would be unjust.

10 “(2) AWARD OF DAMAGES OR FEES.—A court,  
11 in a case involving monetary sanctions described in  
12 paragraph (1), shall consider good faith mistakes in  
13 a relevant demand letter when calculating attorneys  
14 fees under section 285 and damages under section  
15 284.

16 “(e) ONGOING DUTY TO CORRECT OR SUPPLE-  
17 MENT.—An entity described in subsection (a) shall update  
18 any filing made pursuant to such subsection with correct  
19 information not later than 20 days after any change in  
20 the information described under subsection (a).

21 “(f) EXEMPTION.—This section shall not apply to  
22 any of the following:

23 “(1) The original inventor or joint inventor.

1           “(2) An institution of higher education (as that  
2 term is defined in section 101 of the Higher Edu-  
3 cation Act of 1965 (20 U.S.C. 1001)).

4           “(3) A technology transfer organization whose  
5 primary purpose is to facilitate the commercializa-  
6 tion of technology developed by one or more institu-  
7 tions of higher education.

8           “(g) DEFINITIONS.—In this section:

9           “(1) DEMAND LETTER.—The term ‘demand let-  
10 ter’ means any written communication directed to an  
11 unaffiliated third party stating or indicating, directly  
12 or indirectly, that the intended recipient or anyone  
13 affiliated with that recipient is or may be infringing  
14 a patent, or may bear liability or owe compensation  
15 to another because of such patent.

16           “(2) DISCLOSURE DEADLINE.—The term ‘dis-  
17 closure deadline’ means the lesser of 30 days after  
18 the 20th demand letter is sent or 15 days before the  
19 earliest date of compliance described in the 20th de-  
20 mand letter.

21           “(3) ULTIMATE PARENT ENTITY.—

22           “(A) IN GENERAL.—Except as provided in  
23 subparagraph (B), the term ‘ultimate parent  
24 entity’ has the meaning given such term in sec-

1           tion 801.1(a)(3) of title 16, Code of Federal  
2           Regulations, or any successor regulation.

3                   “(B) MODIFICATION OF DEFINITION.—The  
4           Director may modify the definition of ‘ultimate  
5           parent entity’ by regulation.”.

6           (2) CONFORMING AMENDMENT.—The table of  
7           sections for chapter 26 of title 35, United States  
8           Code, is amended by adding at the end the following  
9           new item:

          “263. Disclosure of information related to patent ownership.”.

10                   (3) REGULATIONS.—The Director may promul-  
11           gate such regulations as are necessary to establish  
12           a registration fee in an amount sufficient to recover  
13           the estimated costs of administering section 263 of  
14           title 35, United States Code (as added by paragraph  
15           (1)), to facilitate the collection and maintenance of  
16           the information required by such section, and to en-  
17           sure the timely disclosure of such information to the  
18           public.

19           (4) DEMAND LETTER DATABASE.—

20                   (A) ESTABLISHMENT.—Not later than 180  
21           days after the date of the enactment of this  
22           Act, the Director, in consultation with the At-  
23           torney General, shall establish a publicly acces-  
24           sible and searchable database of the informa-  
25           tion obtained pursuant to section 263 of title



1           “(2) An identification of each claim of each pat-  
2           ent identified under paragraph (1) that is allegedly  
3           infringed.

4           “(3) For each claim identified under paragraph  
5           (2), an identification of each accused apparatus,  
6           product, feature, device, method, system, process,  
7           function, act, service, or other instrumentality (re-  
8           ferred to in this section as an ‘accused instrumen-  
9           tality’) alleged to infringe the claim.

10          “(4) For each accused instrumentality identi-  
11          fied under paragraph (3), an identification with par-  
12          ticularity, if known, of—

13                 “(A) the name or model number of each  
14                 accused instrumentality; and

15                 “(B) the name of each accused method,  
16                 system, process, function, act, or service, or the  
17                 name or model number of each apparatus,  
18                 product, feature, or device that, when used, al-  
19                 legedly results in the practice of the claimed in-  
20                 vention.

21          “(5) For each accused instrumentality identi-  
22          fied under paragraph (3), an explanation of—

23                 “(A) where each element of each asserted  
24                 claim identified under paragraph (2) is found  
25                 within the accused instrumentality;

1           “(B) whether each such element is in-  
2           fringed literally or under the doctrine of equiva-  
3           lents; and

4           “(C) with detailed specificity, how the  
5           terms in each asserted claim identified under  
6           paragraph (2) correspond to the functionality of  
7           the accused instrumentality.

8           “(6) For each claim that is alleged to have been  
9           infringed indirectly, a description of—

10           “(A) the direct infringement;

11           “(B) any person alleged to be a direct in-  
12           fringer known to the party alleging infringe-  
13           ment; and

14           “(C) the acts of the alleged indirect in-  
15           fringer that contribute to or are inducing the  
16           direct infringement.

17           “(7) A description of the right of the party al-  
18           leging infringement to assert each—

19           “(A) patent identified under paragraph  
20           (1); and

21           “(B) patent claim identified in paragraph  
22           (2).

23           “(8) A description of the principal business of  
24           the party alleging infringement.

1           “(9) A list of each complaint filed, of which the  
2 party alleging infringement has knowledge, that as-  
3 serts or asserted any of the patents identified under  
4 paragraph (1).

5           “(10) Identification of any case that has been  
6 filed by such entity relating to each patent identified  
7 under paragraph (1), including the docket number  
8 and the court in which the case was filed.

9           “(11) Identification of any ex parte review  
10 under chapter 30 or any inter partes review under  
11 chapter 31 for each patent identified under para-  
12 graph (1).

13           “(12) For each patent identified under para-  
14 graph (1), whether such patent is subject to any li-  
15 censing term or pricing commitments through any  
16 agency, organization, standard-setting body, or other  
17 entity or community.

18           “(13) The identity of any person other than the  
19 party alleging infringement, known to the party al-  
20 leging infringement, who—

21                   “(A) owns or co-owns a patent identified  
22 under paragraph (1);

23                   “(B) is the assignee of a patent identified  
24 under paragraph (1); or

1           “(C) is an exclusive licensee to a patent  
2           identified under paragraph (1).

3           “(14) The identity of any person other than the  
4           party alleging infringement, known to the party al-  
5           leging infringement, who has a legal right to enforce  
6           a patent identified under paragraph (1) through a  
7           civil action under any Act of Congress relating to  
8           patents or is licensed under such patent.

9           “(15) The identity of any person with a direct  
10          financial interest in the outcome of the action, in-  
11          cluding a right to receive proceeds, or any fixed or  
12          variable portion thereof.

13          “(16) A description of any agreement or other  
14          legal basis for a financial interest described in para-  
15          graph (13).

16          “(17) A description of how the recipient of the  
17          demand letter can access the demand letter database  
18          of the Patent and Trademark Office.

19          “(18) At the bottom of such letter, a clear  
20          statement of the following: ‘You are not required to  
21          respond to this letter by law.’.

22          “(b) INFORMATION NOT READILY ACCESSIBLE.—An  
23          entity required to disclose the information described under  
24          subsection (a) shall include with such disclosure a descrip-  
25          tion of any information described under subsection (a)

1 that is not disclosed, why such undisclosed information  
2 was not readily accessible, and the efforts made by such  
3 entity to access such undisclosed information.

4 “(c) DEMAND LETTER DEFINED.—In this section,  
5 the term ‘demand letter’ shall have the meaning given that  
6 term under section 263(g).”.

7 (2) CONFORMING AMENDMENT.—The table of  
8 sections for chapter 26 of title 35, United States  
9 Code, is amended by adding at the end the following  
10 new item:

“264. Requirements for patent infringement demand letters.”.

11 (c) PENALTIES.—

12 (1) IN GENERAL.—Chapter 26 of title 35,  
13 United States Code, as amended by subsections (a)  
14 and (b), is amended by adding at the end the fol-  
15 lowing new section:

16 **“§ 265. Penalties**

17 “(a) DISCLOSURE TO PATENT AND TRADEMARK OF-  
18 FICE OF INFORMATION ON VIOLATIONS.—Any entity that  
19 receives a demand letter and that believes the require-  
20 ments under section 263 have not been met with respect  
21 to such patent may submit to the Office in writing a peti-  
22 tion—

23 “(1) describing the requirements that have not  
24 been met under section 263; and

1           “(2) anything else the Director determines to  
2           be necessary.

3           “(b) DEMAND LETTER REQUIREMENT VIOLATION.—  
4 Any entity that receives a demand letter that does not  
5 meet the requirements described under section 264 may  
6 submit to the Office in writing a petition—

7           “(1) describing the requirements that have not  
8           been included in such letter; and

9           “(2) anything else the Director determines to  
10          be necessary.

11          “(c) NOTICE OF INTENT TO ABANDON.—If the Office  
12 determines that the requirements of section 263 or 264  
13 have not been met with respect to a patent, the Office  
14 shall notify the patent owner that the patent will be voided  
15 unless a fee is paid not later than 3 months after the date  
16 on which the notification is sent. The Director may accept  
17 the payment of any fee required by this subsection if the  
18 delay is shown to the satisfaction of the Director to have  
19 been unintentional or unavoidable. The Director shall con-  
20 sider good faith mistakes in the determination of whether  
21 to void a patent under this section.

22          “(d) DEMAND LETTER DEFINED.—In this section,  
23 the term ‘demand letter’ shall have the meaning given that  
24 term under section 263(g).”.

1           (2) CONFORMING AMENDMENT.—The table of  
2 sections for chapter 26 of title 35, United States  
3 Code, is amended by adding at the end the following  
4 new item:

“265. Penalties.”.

5           (3) REGULATIONS.—Not later than 180 days  
6 after the date of the enactment of this Act, the Di-  
7 rector shall establish, by regulation, a fee for filing  
8 a petition under section 265 of title 35, United  
9 States Code (as added by paragraph (1)), in such  
10 amounts as the Director determines to be reason-  
11 able.

12          (d) EFFECTIVE DATE.—The amendments made by  
13 this section shall take effect upon the expiration of the  
14 6-month period beginning on the date of the enactment  
15 of this Act and shall apply to an entity that sends a de-  
16 mand letter (as such term is defined under section 263(g)  
17 of title 35, United States Code (as added by subsection  
18 (a)), on or after that date.

