97TH CONGRESS 1ST SESSION S. 255

To amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

IN THE SENATE OF THE UNITED STATES

JANUARY 27 (legislative day, JANUARY 5), 1981

Mr. MATHIAS (for himself, Mr. ROBERT C. BYRD, Mr. THUBMOND, Mr. PERCY, and Mr. DECONCINI) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To amend the patent law to restore the term of the <u>patent</u> grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

Be it enacted by the Senate and House of Representa tives of the United States of America in Congress assembled,
 That this Act may be cited as the <u>"Patent Term Restoration</u>
 <u>Act of 1981"</u>.

5 SECTION 1. Title 35 of the United States Code, entitled
6 "Patents" is amended by adding the following new section
7 immediately after section 154:

1 "§155. Restoration of patent term

2 "(a)(1) Except as provided in paragraph (2), the term of
3 a patent which encompasses within its scope a product, or a
4 method for using a product, subject to a regulatory review
5 period shall be extended by the amount of time equal to the
6 regulatory review period for such product or method if—

7 "(A) the owner of record of the patent gives
8 notice to the Commission in compliance with the provi9 sions of subsection (b)(1);

10 "(B) the product or method has been subjected to
11 a regulatory review period pursuant to statute or regu12 lation prior to its commercial marketing or use; and

13 "(C) the patent to be extended has not expired
14 prior to notice to the Commissioner under subsection
15 (b)(1).

16 The rights derived from any claim or claims of any patent so 17 extended shall be limited in scope during the period of any 18 extension to the product or method subject to the regulatory 19 review period and to the statutory use for which regulatory 20 review was required.

21 "(2) In no event shall the term of any patent be ex-22 tended for more than seven years.

23 "(b)(1) Within ninety days after termination of a regula24 tory review period, the owner of record of the patent shall
25 notify the Commissioner under oath that the regulatory

review period has ended. Such notification shall be in writing
 and shall:

3 "(A) identify the Federal statute or regulation
4 under which regulatory review occurred;

5 "(B) state the dates on which the regulatory 6 review period commenced and ended;

7 "(C) identify the product and the statutory use for
8 which regulatory review was required;

9 "(D) state that the regulatory review referred to 10 in subsection (a)(1)(B) has been satisfied; and

11 "(E) identify the claim or claims of the patent to 12 which the extension is applicable and the length of 13 time of the regulatory review period for which the 14 term of such patent is to be extended.

15 "(2) Upon receipt of the notice required by paragraph (1), the Commissioner shall promptly (A) publish the informa-16 tion noticed in the Official Gazette of the Patent and Trade-17 mark Office, and (B) issue to the owner of record of the 18 19 patent a certificate of extension, under seal, stating the fact 20 and length of the extension and identifying the product and the statutory use and the claim or claims to which such ex-21 $\mathbf{22}$ tension is applicable. Such certificate shall be recorded in the official file of each patent extended and such certificate shall 23 be considered as part of the original patent. 24

25 "(c) As used in this section:

"(1) The term 'product or a method for using a 1 product' means any machine, manufacture, composition 2 of matter or any specific method of use thereof for 3 4 which United States Letters Patent can be granted and includes the following or any specific method of use 5 6. thereof: "(A) any new drug, antibiotic drug, new 7 animal drug, device, food additive, or color addi-8 tive subject to regulation under the Federal Food, 9 10 Drug, and Cosmetic Act; "(B) any human or veterinary biological 11 12 product subject to regulation under section 351 of 13 the Public Health Service Act or under the virus. serum, toxin, and analogous products provisions of 14 15 the Act of Congress of March 4, 1913; 16 "(C) any pesticide subject to regulation 17 under the Federal Insecticide, Fungicide, and Ro-18 denticide Act; and "(D) any chemical substance or mixture sub-19 20 ject to regulation under the Toxic Substances 21 Control Act. 22 "(2) The term 'major health or environmental effects test' means an experiment to determine or evalu-23 ate health or environmental effects which requires at

least six months to conduct, not including any period
 for analysis or conclusions.

"(3) The term 'statutory use' means all uses regulated under the statutes identified in sections (c)(4) (A)-(D) for which regulatory review occurred for the product involved.

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"(4) The term 'regulatory review period' means-

8 "(A) with respect to a food additive, color additive, new animal drug, veterinary biological 9 10 product, device, new drug, antibiotic drug, or 11 human biological product, a period commencing on the earliest of the date the patentee, his as-12 13 signee, or his licensee (i) initiated a major health 14 or environmental effects test on such product or a 15 method for using such product, (ii) claims an ex-16 emption for investigation or requests authority to 17 prepare an experimental product with respect to 18 such product or a method for using such product 19 under the Federal Food, Drug, and Cosmetic Act, 20 the Public Health Service Act, or the Act of Con-21 gress of March 4, 1913, or (iii) submits an appli-22 cation or petition with respect to such product or 23 a method for using such product under such stat-24 utes, and ending on the date such application or 25 petition with respect to such product or a method

for using such product is approved or licensed under such statutes or, if objections are filed to such approval or license, ending on the date such objections are resolved and commercial marketing is permitted or, if commercial marketing is initially permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings are finally resolved and commercial marketing is permitted;

"(B) with respect to a pesticide, a period commencing on the earliest of the date the patentee, his assignee, or his licensee (i) initiates a major health or environmental effects test on such pesticide, the data from which is submitted in a request for registration of such pesticide under section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act, (ii) requests the grant of an experimental use permit under section 5 of such Act, or (iii) submits an application for registration of such pesticide pursuant to section 3 of such Act, and ending on the date such pesticide is first registered, either conditionally or fully;

"(C) with respect to a chemical substance or mixture for which notification is required under

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1section 5(a) of the Toxic Substances Control2Act—

"(i) which is subject to a rule requiring 3 4 testing under section 4(a) of such Act. a period commencing on the date the patentee, 5 his assignee, or his licensee has initiated the 6 7 testing required in such rule and ending on 8 the expiration of the premanufacture notification period for such chemical substance or 9 mixture, or if an order or injunction is issued 10 under section 5(e) or 5(f) of such Act, the 11 date on which such order or injunction is dis-12 solved or set aside: 13

14 "(ii) which is not subject to a testing
15 rule under section 4 of such Act, a period
16 commencing on the earlier of the date the
17 patentee, his assignee, or his licensee—

18 "(I) submits a premanufacture
19 notice, or

20 "(II) initiates a major health or en-21 vironmental effects test on such sub-22 stance, the data from which is included 23 in the premanufacture notice for such 24 substance, 1and ending on the expiration of the premanufac-2ture notification period for such substance or if an3order or injunction is issued under section 5(e) or45(f) of such Act, the date on which such order or5such injunction is dissolved or set aside;

"(D) with respect to any other product or 6 method of using a product that has been subjected 7 to Federal premarketing regulatory review, a 8 9 period commencing on the date when the pat-10 entee, his assignee, or his licensee initiates actions 11 pursuant to a Federal statute or regulation to 12 obtain such review prior to the initial commercial marketing in interstate commerce of such product 13 and ending on the date when such review is 14 15 completed,

16 except that the regulatory review period shall not be deemed to have commenced until a patent has been granted for the 17 product or the method of use of such product subject to the 18 regulatory review period. In the event the regulatory review 19 20 period has commenced prior to the effective date of this section, then the period of patent extension for such product or a 21 22 method of using such product shall be measured from the effective date of this section.". $\mathbf{23}$

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