## 1st Sub. H.B. 117 PATENT INFRINGEMENT AMENDMENTS

HOUSE COMMITTEE AMENDMENTS

AMENDMENT 1

FEBRUARY 20, 2014 9:37 PM

Representative **Mike K. McKell** proposes the following amendments:

- 1. Page 3, Lines 63 through 66:
  - 63 (b) { Prior to sending the demand letter, the person fails to conduct an analysis
  - 64 comparing the claims in the patent to the target's products, services, and technology, or an
  - 65 analysis was done but does not identify specific areas in which the products, services, and
  - 66 <u>technology are covered by the claims in the patent.</u>} By presenting a demand letter to the target a person is certifying that to the best of the person's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances:
    - (i) the demand letter is not being presented for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of settlement or litigation;
    - (ii) the claims, defenses, and other legal contentions are warranted by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law; and
    - (iii) the allegations and other factual contentions have evidentiary support or, if specifically identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery.
- 2. Page 4, Lines 88 through 100:
  - 88 (c) The person engages in a good faith effort to establish that the target has infringed
  - 89 the patent and to negotiate an appropriate remedy.
  - 90 { (d) The person makes a substantial investment in the use of the patent or in the
  - 91 production or sale of a product or item covered by the patent.
  - 92 (e) The person is:
  - 93 (i) the inventor or joint inventor of the patent or, in the case of a patent filed by and
  - 94 awarded to an assignee of the original inventor or joint inventor, is the original assignee; or
  - 95 (ii) an institution of higher education or a technology transfer organization owned or
  - 96 affiliated with an institution of higher education.
  - 97 (f) The person has:
  - 98 (i) demonstrated good faith business practices in previous efforts to enforce the patent,
  - 99 or a substantially similar patent; or
  - 100 (ii) successfully enforced the patent, or a substantially similar patent, through litigation.