

transfer for other reasons of the entire enterprise or line of business to which the defense relates.

(C) RESTRICTION ON SITES.—A defense under this section, when acquired by a person as part of an assignment or transfer described in subparagraph (B), may only be asserted for uses at sites where the subject matter that would otherwise infringe a claimed invention is in use before the later of the effective filing date of the claimed invention or the date of the assignment or transfer of such enterprise or line of business.

(2) DERIVATION.—A person may not assert a defense under this section if the subject matter on which the defense is based was derived from the patentee or persons in privity with the patentee.

(3) NOT A GENERAL LICENSE.—The defense asserted by a person under this section is not a general license under all claims of the patent at issue, but extends only to the specific subject matter for which it has been established that a commercial use that qualifies under this section occurred, except that the defense shall also extend to variations in the quantity or volume of use of the claimed subject matter, and to improvements in the claimed subject matter that do not infringe additional specifically claimed subject matter of the patent.

(4) ABANDONMENT OF USE.—A person who has abandoned commercial use (that qualifies under this section) of subject matter may not rely on activities performed before the date of such abandonment in establishing a defense under this section with respect to actions taken on or after the date of such abandonment.

(5) UNIVERSITY EXCEPTION.—

(A) IN GENERAL.—A person commercially using subject matter to which subsection (a) applies may not assert a defense under this section if the claimed invention with respect to which the defense is asserted was, at the time the invention was made, owned or subject to an obligation of assignment to either an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)),¹ or a technology transfer organization whose primary purpose is to facilitate the commercialization of technologies developed by one or more such institutions of higher education.

(B) EXCEPTION.—Subparagraph (A) shall not apply if any of the activities required to reduce to practice the subject matter of the claimed invention could not have been undertaken using funds provided by the Federal Government.

(f) UNREASONABLE ASSERTION OF DEFENSE.—If the defense under this section is pleaded by a person who is found to infringe the patent and who subsequently fails to demonstrate a reasonable basis for asserting the defense, the court shall find the case exceptional for the purpose of awarding attorney fees under section 285.

¹ So in original. Another closing parenthesis probably should precede the comma.

(g) INVALIDITY.—A patent shall not be deemed to be invalid under section 102 or 103 solely because a defense is raised or established under this section.

(Added Pub. L. 106–113, div. B, §1000(a)(9) [title IV, §4302(a)], Nov. 29, 1999, 113 Stat. 1536, 1501A–555; amended Pub. L. 112–29, §5(a), Sept. 16, 2011, 125 Stat. 297.)

AMENDMENTS

2011—Pub. L. 112–29 amended section generally. Prior to amendment, section related to defense to infringement based on earlier inventor.

EFFECTIVE DATE OF 2011 AMENDMENT

Pub. L. 112–29, §5(c), Sept. 16, 2011, 125 Stat. 299, provided that: “The amendments made by this section [amending this section] shall apply to any patent issued on or after the date of the enactment of this Act [Sept. 16, 2011].”

EFFECTIVE DATE

Pub. L. 106–113, div. B, §1000(a)(9) [title IV, subtitle C, §4303], Nov. 29, 1999, 113 Stat. 1536, 1501A–557, provided that: “This subtitle [enacting this section and provisions set out as a note under section 1 of this title] and the amendments made by this subtitle shall take effect on the date of the enactment of this Act [Nov. 29, 1999], but shall not apply to any action for infringement that is pending on such date of enactment or with respect to any subject matter for which an adjudication of infringement, including a consent judgment, has been made before such date of enactment.”

CHAPTER 29—REMEDIES FOR INFRINGEMENT OF PATENT, AND OTHER ACTIONS

Sec.	
281.	Remedy for infringement of patent.
282.	Presumption of validity; defenses.
283.	Injunction.
284.	Damages.
285.	Attorney fees.
286.	Time limitation on damages.
287.	Limitation on damages and other remedies; marking and notice.
288.	Action for infringement of a patent containing an invalid claim.
289.	Additional remedy for infringement of design patent.
290.	Notice of patent suits.
291.	Derived patents.
292.	False marking.
293.	Nonresident patentee, service and notice. ¹
294.	Voluntary arbitration.
295.	Presumption: Product made by patented process.
296.	Liability of States, instrumentalities of States, and State officials for infringement of patents.
297.	Improper and deceptive invention promotion.
298.	Advice of counsel.
299.	Joinder of parties.

AMENDMENTS

2011—Pub. L. 112–29, §19(d)(2), Sept. 16, 2011, 125 Stat. 333, added item 299.

Pub. L. 112–29, §17(b), Sept. 16, 2011, 125 Stat. 329, added item 298.

Pub. L. 112–29, §3(h)(2), Sept. 16, 2011, 125 Stat. 289, amended item 291 generally, substituting “Derived patents” for “Interfering patents”.

1999—Pub. L. 106–113, div. B, §1000(a)(9) [title IV, §4102(b)], Nov. 29, 1999, 113 Stat. 1536, 1501A–554, added item 297.

¹ So in original. Does not conform to section catchline.