

2002—Subsec. (b)(4). Pub. L. 107-273, §13206(a)(13)(A), substituted “section 203(b)” for “last paragraph of section 203(2)”.

Subsec. (c)(4). Pub. L. 107-273, §13206(a)(13)(B)(i), substituted “additional rights,” for “additional rights;”.

Subsec. (c)(5). Pub. L. 107-273, §13206(a)(13)(B)(ii), struck out “of the United States Code” after “section 552 of title 5”.

2000—Subsec. (e). Pub. L. 106-404 amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “In any case when a Federal employee is a co-inventor of any invention made under a funding agreement with a nonprofit organization or small business firm, the Federal agency employing such coinventor is authorized to transfer or assign whatever rights it may acquire in the subject invention from its employee to the contractor subject to the conditions set forth in this chapter.”

1999—Subsec. (a). Pub. L. 106-113, in first sentence, substituted “(iv)” for “(iv)” and struck out a second period at end.

1991—Subsec. (b)(3). Pub. L. 102-204 substituted “every 5 years” for “each year”.

1984—Subsec. (a). Pub. L. 98-620, §501(3), substituted “when the contractor is not located in the United States or does not have a place of business located in the United States or is subject to the control of a foreign government” for “when the funding agreement is for the operation of a Government-owned research or production facility”, struck out “or” before “(ii)”, which was executed by striking out “or” before “(iii)” as the probable intent of Congress, and added cl. (iv).

Subsec. (b)(1). Pub. L. 98-620, §501(4), gave to the Department of Commerce oversight of agency use of the exceptions to small business or nonprofit organization invention ownership.

Subsec. (b)(2). Pub. L. 98-620, §501(4), substituted provisions authorizing the Administrator of the Office of Federal Procurement Policy to issue regulations describing situations in which agencies may not exercise the authorities of clauses (i) or (ii) of subsec. (a), whenever the Administrator has determined that one or more agencies are utilizing such authority in violation of this chapter for provisions which gave to the Comptroller General oversight of agency actions under this chapter.

Subsec. (b)(4). Pub. L. 98-620, §501(4A), added par. (4).

Subsec. (c)(1). Pub. L. 98-620, §501(5), substituted provisions requiring disclosure of each invention within a reasonable time after it becomes known to contractor personnel responsible for the administration of patent matters for provision requiring disclosure of each invention within a reasonable time after it is made.

Subsec. (c)(2). Pub. L. 98-620, §501(5), substituted provisions requiring the contractor to make a written election within two years after disclosure to the Federal agency (or such additional time as may be approved by the Federal agency) whether the contractor will retain title to a subject invention for provision requiring election to retain title within a reasonable time after disclosure, and inserted provision authorizing the Federal agency to shorten the period for election under certain circumstances.

Subsec. (c)(3). Pub. L. 98-620, §501(5), substituted provisions requiring a contractor electing rights in a subject invention to file a patent application prior to any statutory bar date that may occur under this title due to publication, on sale, or public use, and thereafter to file corresponding patent applications in other countries in which it wishes to retain title within reasonable times for provisions requiring the contractor to file patent applications within a reasonable time.

Subsec. (c)(4). Pub. L. 98-620, §501(5), substituted provision that the funding agreement may provide for such additional rights, including the right to assign or have assigned foreign patent rights in the subject invention, as are determined by the agency as necessary for meeting the obligations of the United States under any treaty, international agreement, arrangement of cooperation, memorandum of understanding, or similar ar-

angement, including any military agreement relating to weapons development and production for provision that the agency could, if provided in the funding agreement, have additional rights to sublicense any foreign government or international organization pursuant to any existing or future treaty or agreement.

Subsec. (c)(5). Pub. L. 98-620, §501(6), substituted “as well as any information on utilization or efforts at obtaining utilization obtained as part of a proceeding under section 203 of this chapter shall be treated” for “may be treated”.

Subsec. (c)(7)(A). Pub. L. 98-620, §501(7), struck out provision which made an exception for organizations which were not themselves engaged in or did not hold a substantial interest in other organizations engaged in the manufacture or sales of products or the use of processes that might utilize the invention or be in competition with embodiments of the invention.

Subsec. (c)(7)(B). Pub. L. 98-620, §501(8), redesignated cl. (C) as (B). Former cl. (B), relating to a prohibition against the granting of exclusive licenses under United States Patents or Patent Applications in a subject invention by the contractor to persons other than small business firms for periods in excess of certain specified periods and relating to commercial sales, was struck out.

Subsec. (c)(7)(C). Pub. L. 98-620, §501(8), added cl. (C). Former cl. (C) redesignated (B).

Subsec. (c)(7)(D). Pub. L. 98-620, §501(8), added cl. (D). Former cl. (D) redesignated (E).

Subsec. (c)(7)(E). Pub. L. 98-620, §501(8), redesignated former cl. (D) as (E) and inserted provisions placing a limit on the amount of royalties that the contract operators of Government-owned laboratories are entitled to retain after paying patent administrative expenses and a share of the royalties to inventors, requiring payment of amounts in excess of such limits to the United States Treasury, and requiring that, to the extent it provides the most effective technology transfer, the licensing of subject inventions shall be administered by contractor employees on location at the facility.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by section 3(g)(7) of Pub. L. 112-29 effective upon the expiration of the 18-month period beginning on Sept. 16, 2011, and applicable to certain applications for patent and any patents issuing thereon, see section 3(n) of Pub. L. 112-29, set out as an Effective Date of 2011 Amendment; Savings Provisions note under section 100 of this title.

Pub. L. 112-29, §13(b), Sept. 16, 2011, 125 Stat. 327, provided that: “The amendments made by this section [amending this section] shall take effect on the date of the enactment of this Act [Sept. 16, 2011] and shall apply to any patent issued before, on, or after that date.”

Amendment by section 20(i)(2) of Pub. L. 112-29 effective upon the expiration of the 1-year period beginning on Sept. 16, 2011, and applicable to proceedings commenced on or after that effective date, see section 20(l) of Pub. L. 112-29, set out as a note under section 2 of this title.

EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106-113 effective 4 months after Nov. 29, 1999, see section 1000(a)(9) [title IV, §4731] of Pub. L. 106-113, set out as a note under section 1 of this title.

EFFECTIVE DATE

Section effective July 1, 1981, but implementing regulations authorized to be issued earlier, see section 8(f) of Pub. L. 96-517, set out as an Effective Date of 1980 Amendment note under section 41 of this title.

§ 203. March-in rights

(a) With respect to any subject invention in which a small business firm or nonprofit organi-

zation has acquired title under this chapter, the Federal agency under whose funding agreement the subject invention was made shall have the right, in accordance with such procedures as are provided in regulations promulgated hereunder to require the contractor, an assignee or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the contractor, assignee, or exclusive licensee refuses such request, to grant such a license itself, if the Federal agency determines that such—

(1) action is necessary because the contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

(2) action is necessary to alleviate health or safety needs which are not reasonably satisfied by the contractor, assignee, or their licensees;

(3) action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the contractor, assignee, or licensees; or

(4) action is necessary because the agreement required by section 204 has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of its agreement obtained pursuant to section 204.

(b) A determination pursuant to this section or section 202(b)(4)¹ shall not be subject to chapter 71 of title 41. An administrative appeals procedure shall be established by regulations promulgated in accordance with section 206. Additionally, any contractor, inventor, assignee, or exclusive licensee adversely affected by a determination under this section may, at any time within sixty days after the determination is issued, file a petition in the United States Court of Federal Claims, which shall have jurisdiction to determine the appeal on the record and to affirm, reverse, remand or modify, as appropriate, the determination of the Federal agency. In cases described in paragraphs (1) and (3) of subsection (a), the agency's determination shall be held in abeyance pending the exhaustion of appeals or petitions filed under the preceding sentence.

(Added Pub. L. 96-517, §6(a), Dec. 12, 1980, 94 Stat. 3022; amended Pub. L. 98-620, title V, §501(9), Nov. 8, 1984, 98 Stat. 3367; Pub. L. 102-572, title IX, §902(b)(1), Oct. 29, 1992, 106 Stat. 4516; Pub. L. 107-273, div. C, title III, §13206(a)(14), Nov. 2, 2002, 116 Stat. 1905; Pub. L. 111-350, §5(i)(2), Jan. 4, 2011, 124 Stat. 3850.)

Editorial Notes

REFERENCES IN TEXT

Section 202(b)(4), referred to in subsec. (b), was redesignated section 202(b)(3) of this title by Pub. L. 111-8, div. G, title I, §1301(h), Mar. 11, 2009, 123 Stat. 829.

¹ See References in Text note below.

AMENDMENTS

2011—Subsec. (b). Pub. L. 111-350 substituted “chapter 71 of title 41” for “the Contract Disputes Act (41 U.S.C. §601 et seq.)”.

2002—Pub. L. 107-273 redesignated par. (1) as subsec. (a) and former subpars. (a) to (d) as pars. (1) to (4), respectively, redesignated former par. (2) as subsec. (b), struck out quotation marks and comma before “as appropriate”, and substituted “paragraphs (1) and (3) of subsection (a)” for “paragraphs (a) and (c)”.

1992—Par. (2). Pub. L. 102-572 substituted “United States Court of Federal Claims” for “United States Claims Court”.

1984—Pub. L. 98-620 designated existing provisions as par. (1) and added par. (2).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-572 effective Oct. 29, 1992, see section 911 of Pub. L. 102-572, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE

Section effective July 1, 1981, but implementing regulations authorized to be issued earlier, see section 8(f) of Pub. L. 96-517, set out as an Effective Date of 1980 Amendment note under section 41 of this title.

§ 204. Preference for United States industry

Notwithstanding any other provision of this chapter, no small business firm or nonprofit organization which receives title to any subject invention and no assignee of any such small business firm or nonprofit organization shall grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the Federal agency under whose funding agreement the invention was made upon a showing by the small business firm, nonprofit organization, or assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(Added Pub. L. 96-517, §6(a), Dec. 12, 1980, 94 Stat. 3023.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective July 1, 1981, but implementing regulations authorized to be issued earlier, see section 8(f) of Pub. L. 96-517, set out as an Effective Date of 1980 Amendment note under section 41 of this title.

§ 205. Confidentiality

Federal agencies are authorized to withhold from disclosure to the public information disclosing any invention in which the Federal Government owns or may own a right, title, or interest (including a nonexclusive license) for a reasonable time in order for a patent application