

24 May  
Committee Print  
=

Committee Print  
24 May  
Robillard says  
good chance to  
pass this Session  
=

82D CONGRESS  
2D SESSION

# H. R. 7316

= S 2840

## IN THE HOUSE OF REPRESENTATIVES

MARCH 31, 1952

Mr. CELLER introduced the following bill; which was referred to the Committee on the Judiciary

### A BILL

To authorize the establishment of an Inventions Awards Board within the Department of Defense, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That this Act may be cited as the "Inventions Awards  
4 Act of 1952".

#### DECLARATION OF POLICY

5  
6 SEC. 2. It is the purpose of this Act to foster invention  
7 for national defense through the establishment within the  
8 Department of Defense of an Inventions Awards Board  
9 which shall be authorized to recommend to the Secretary the  
10 making of such awards, to be known as National Defense

1 Awards, as it shall consider just for meritorious inven-  
2 tions contributing to the national defense.

3 DEFINITIONS

4 SEC. 3. As used in this Act—

5 (a) The term "invention" means any art, machine,  
6 manufacture, composition of matter, or any new and use-  
7 ful improvement thereof which is useful, or susceptible of  
8 use, for application in the national defense of the United  
9 States, and which is not subject to the provisions of the  
10 Atomic Energy Act of 1946, whether or not such inven-  
11 tion is patented, unpatented, or patentable.

12 (b) The term "inventor" means any person who has  
13 made an invention.

14 (c) The term "person" shall include any natural person,  
15 and his heirs.

16 (d) The term "the Department" shall mean the Depart-  
17 ment of Defense, and the term "Secretary" shall mean the  
18 Secretary of Defense.

19 (e) The term "defense agency" means the Department,  
20 or any other department, agency, or independent establish-  
21 ment in the executive branch of the Government (except  
22 the Atomic Energy Commission), and any wholly owned

1 Government corporation, designated by the President as a  
2 defense agency for the purposes of this Act.

3 (f) The term "Board" means the Inventions Awards  
4 Board established pursuant to section 5 of this Act.

5 (g) The term "award" means a National Defense  
6 Award authorized by section 4 of this Act.

7 NATIONAL DEFENSE AWARDS

8 SEC. 4. Whenever any inventor has disclosed to any  
9 defense agency any invention which contributes or has con-  
10 tributed substantially to the national defense, and any such  
11 agency in consequence of such disclosure has used such in-  
12 vention, the Secretary, upon the recommendation of the  
13 Board, may make a National Defense Award to such inven-  
14 tor in such amount, and subject to such terms and conditions,  
15 as the Board shall determine in conformity with the pro-  
16 visions of this Act to be just compensation for such invention  
17 or the use thereof.

18 INVENTIONS AWARDS BOARD

19 SEC. 5. (a) The Secretary is authorized to establish  
20 within the Department an Inventions Awards Board which  
21 shall be composed of not more than fifteen members ap-  
22 pointed by the Secretary, for such term or terms as he may

1 specify, from persons in civil life who are eminent in one or  
2 more of the following fields of activity: Invention, science  
3 research, development, and patent law. The Board shall  
4 meet at such times as the Secretary may specify to consider  
5 applications made pursuant to section 6 of this Act for awards.  
6 Five members shall constitute a quorum of the Board.

7 (b) Each member shall receive compensation at the rate  
8 of \$75 for each day of his attendance at meetings of the  
9 Board, and shall be reimbursed for all travel expenses ac-  
10 tually incurred by him in the performance of his duties as a  
11 member of the Board.

12 (c) The Board shall perform the duties required of it by  
13 section 6 of this Act. The Secretary shall provide the Board  
14 with such personnel and facilities as he may determine to be  
15 required by the Board for the performance of its functions.

16 (d) The Board may promulgate such rules and regula-  
17 tions, not inconsistent with this Act, as may be required for  
18 the performance of its duties hereunder.

19 APPLICATIONS FOR AWARDS AND PROCEEDINGS THEREON

20 SEC. 6. (a) Any inventor may file with the Secretary  
21 an application for an award under section 4 of this Act.  
22 Such application may be filed upon information and belief,  
23 and shall contain a statement concerning—

- 24 (1) the nature of such invention;  
25 (2) the ownership thereof;

1 (3) the time and manner of its disclosure to any  
2 defense agency;

3 (4) the nature and extent of its use by any defense  
4 agency;

5 (5) the utility of such invention to the United  
6 States in the interest of national defense;

7 (6) the nature and extent of the compensation re-  
8 ceived by such inventor from the United States under  
9 any other provision of law for or on account of the  
10 development or use of such invention;

11 (7) the nature and extent of the compensation for  
12 which application is made pursuant to this Act; and

13 (8) such other facts as the Board shall deem  
14 pertinent.

15 (b) Each application so filed shall be transmitted to  
16 the Board which, subject to the provisions of this Act and  
17 of the Administrative Procedure Act, shall hear and deter-  
18 mine the questions presented by such application; and shall  
19 make and transmit to the Secretary a report thereon in which  
20 the Board shall set forth—

21 (1) its findings of fact and conclusions of law;

22 (2) its recommendation on the question whether  
23 the applicant is entitled to an award under this Act;  
24 and

1 (3) the terms and conditions upon which any such  
2 award should be made.

3 DETERMINATION OF ELIGIBILITY FOR AWARDS AND  
4 QUANTUM THEREOF

5 SEC. 7. (a) In any proceeding under this Act, the ap-  
6 plicant shall bear the burden of establishing by probative  
7 proof the disclosure of the invention in question by the  
8 inventor directly or indirectly to a defense agency and the  
9 use of such invention by a defense agency in consequence  
10 of such disclosure, except that—

11 (1) in the case of a patented invention, proof of  
12 the issuance of a patent thereon shall constitute proof  
13 of disclosure of such invention to a defense agency; and

14 (2) in the case of an invention described in a  
15 patent application which has been duly filed and has  
16 been placed under secrecy pursuant to any provision of  
17 law, proof of access to such application by any officer  
18 or employee of any defense agency shall constitute proof  
19 of disclosure of such invention to such agency.

20 (b) In any proceeding under this Act, the respondent  
21 defense agency or agencies shall be entitled to assert any  
22 legal or equitable defense which could be asserted by the  
23 United States in any suit brought by the applicant against  
24 the United States for judicial relief on account of the use

1 of the invention in question by the United States, except  
2 that—

3 (1) the worth of such invention shall be measured  
4 by its contribution to the needs of the national defense,  
5 and not by the advance it makes in the field to which it  
6 pertains;

7 (2) the validity of any patent issued to the inventor  
8 for such invention shall be presumed in the absence of  
9 competent proof of the invalidity of such patent; and

10 (3) proof that the disclosure made by the inventor  
11 to any defense agency was sufficiently specific to permit  
12 the making or practicing of such invention shall con-  
13 stitute proof of the actual reduction of such invention to  
14 practice.

15 (c) Payment by the United States of the cost, in whole  
16 or in part, of developing an invention shall not bar the mak-  
17 ing of an award under this Act to the inventor thereof, but  
18 in determining the amount of any such award consideration  
19 shall be given to—

20 (1) the extent to which such development was  
21 made at the expense of the inventor, and the extent to  
22 which such development was made at the expense of the  
23 United States;

24 (2) the extent to which the inventor has benefited

1 and will benefit through the commercial exploitation of  
2 such invention in consequence of development made at  
3 the expense of the United States; and

4 (3) the extent to which the inventor has been de-  
5 nied the benefits of commercial exploitation of such  
6 invention in consequence of any secrecy restrictions  
7 imposed by the United States.

8 (d) If, in any proceeding under this Act, it shall appear  
9 to the Board that more than one inventor is entitled to  
10 compensation with respect to the same invention, the Board  
11 shall ascertain and determine the interests of each such in-  
12 ventor, and shall recommend the division of the award, in  
13 such proportions as it shall deem equitable, among all  
14 persons whom it shall find to be entitled to share therein.

15 PAYMENT OF AWARDS

16 SEC. 8. (a) Any award made pursuant to this Act  
17 may be paid in a single payment or by such periodic pay-  
18 ments as the Board may recommend.

19 (b) Awards so made shall be paid from funds appro-  
20 priated to the defense agency principally interested in the  
21 invention for which such award is made, as determined by  
22 the Board, and may be paid from any funds appropriated to  
23 such agency which are available for the procurement of  
24 equipment or supplies incorporating such invention or result-  
25 ing from the practice of such invention. If the head of



1 the defense agency concerned certifies that funds are not  
2 available to such agency for the payment of any such award,  
3 the Secretary shall include in his budget estimate for the  
4 Department for the next fiscal year an appropriate item for  
5 the payment of such award.

6 (c) No award made under this Act shall be paid until  
7 each person entitled to share therein has executed a release,  
8 in such form as the Secretary shall approve, by which such  
9 person surrenders, for himself and all others holding rights  
10 from him, all further claims against the United States for  
11 compensation with respect to the invention for which such  
12 award is made.

13 (d) No award shall be paid under this Act to any  
14 inventor or with respect to any invention in any amount  
15 exceeding \$75,000 until such award has been transmitted to  
16 and approved by the Congress. The approval of the Con-  
17 gress to any such award shall be deemed to have been  
18 granted upon the expiration of the first period of one hundred  
19 and twenty calendar days of continuous session of the Con-  
20 gress following the date on which such award is transmitted  
21 to it for approval, but only if prior to the expiration of such  
22 period there has not been passed a concurrent resolution  
23 disapproving such award or approving such award in a  
24 reduced amount or subject to different conditions. If within  
25 such period any such resolution is passed authorizing payment

1 of such award in a reduced amount or subject to different  
2 conditions, payment of such award may be made in con-  
3 formity with the terms of such resolution.

4 PROCEEDINGS UNDER OTHER STATUTES

5 SEC. 9. (a) Nothing contained in this Act shall—

6 (1) prevent any department or agency of the  
7 United States from making any payment to any inventor  
8 pursuant to any other provision of law; or

9 (2) bar any inventor from prosecuting any suit in  
10 the Court of Claims pursuant to section 1498 of title 28  
11 of the United States Code with respect to any invention,  
12 or from recovering judgment in any such suit.

13 (b) No inventor shall be entitled to receive any award  
14 pursuant to this Act with respect to any invention—

15 (1) for which he has received any compensation  
16 (other than salary received for services rendered as an  
17 officer or employee of the Government) under any other  
18 provision of law; or

19 (2) with respect to which he has instituted any  
20 suit in the Court of Claims for compensation pursuant to  
21 section 1498 of title 28 of the United States Code.

82d CONGRESS  
2d SESSION

**H. R. 7316**

---

---

**A BILL**

To authorize the establishment of an Inventions  
Awards Board within the Department of  
Defense, and for other purposes.

---

---

By Mr. CELLER

MARCH 31, 1952

Referred to the Committee on the Judiciary

REF ID:A4161586