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^{80TH CONGRESS} ^{1ST SESSION} H. R. 4420

IN THE HOUSE OF REPRESENTATIVES

JULY 26, 1947

Mr. MICHENER (by request) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend the Act relating to preventing the publication of inventions in the national interest, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of Congress approved October 6, 1917 (40 Stat. 394, ch. 95; 35 U. S. C. 42), and Acts amendatory thereof, are further amended to read as follows:

6 "Whenever publication or disclosure by the grant of 7 a patent on an invention in which the Government has a 8 property interest might, in the opinion of the head of the 9 interested Government agency, be detrimental to the na-10 tional security, the Commissioner of Patents upon being so 11 notified shall order that such invention be kept secret and

shall withhold the grant of a patent therefor under the
 conditions set forth hereinbelow.

"Whenever the publication or disclosure of an invention 3 by the granting of a patent, within categories prescribed 4 by the National Munitions Control Board and in which 5 the Government does not have a property interest, might, 6 in the opinion of the Commissioner of Patents, be detri-7 mental to the national security, he shall make the applica-.8 9 tion for patent in which such invention is disclosed available for inspection to the Secretary of War, the Secretary of 10 11 the Navy, and the chief officer of any other department 12or agency of the Government designated by the President as a defense agency of the United States. If in the opinion 13 of the Secretary of War, the Secretary of the Navy, or the 14 chief officer of such other department or agency so desig-15nated, the publication or disclosure of such invention by 16 the granting of a patent therefor would be detrimental to 17 18 the national security, the Secretary of War, the Secretary of the Navy, or such other chief officer shall notify the 19 Commissioner of Patents to that effect, and the Commissioner 2021of Patents, upon being so notified, shall order that such 22invention be kept secret and shall withhold the grant of a 23patent therefor for such period or periods as the national interest requires: Provided, That the owner of a patent 24application which has been placed under a secrecy order 25

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1 shall have a right to appeal to the National Munitions Control Board from such order: Provided further, That no. 2 3 invention shall be ordered kept secret and the grant of a patent withheld for a period of more than one year: Pro-4 5, vided further, That the Commissioner of Patents shall renew any such order at the end thereof, or at the end 6 7 of any renewal period, for additional periods of one year 8 upon notification by the head of the department or the chief 9 officer of the agency who caused the order to be issued 10 that an affirmative determination has been made that the national interest continues so to require, excepting, however, 11 that any such order in effect, or issued, during a time when 1213 the United States is at war, shall be and remain in effect for the duration of the war unless sooner specifically re-14 scinded: Provided further, That the Commissioner of 15Patents is authorized to rescind any order upon notification 16 by the heads of all departments and the chief officers of all 17 agencies who caused the order to be issued that the publica-18 19 tion or disclosure of the invention is no longer deemed to be detrimental to the national security. 20

21 "SEC. 2. The invention disclosed in an application for 22 patent subject to an order made pursuant to section 1 hereof 23 shall be held abandoned upon its being established before or 24 by the Commissioner of Patents that in violation of said 25 order said invention has been published or disclosed or that $\mathbf{\dot{4}}$

an application for a patent therefor has been filed in a foreign 1 country by the inventor, his successors, assigns, or legal $\mathbf{2}$ representatives, or anyone in privity with him or them, with-3 out the consent or approval of the Commissioner of Patents, 4 5 and such abandonment shall be held to have occurred as of 6 the time of such violation: *Provided*, That in no case shall . 7 the consent or approval of the Commissioner of Patents be 8 given without the concurrence of the heads of all depart-9 ments and the chief officers of all agencies who caused the 10order to be issued: *Provided further*, That any such holding 11 of abandonment shall constitute forfeiture by the applicant, 12his successors, assigns, or legal representatives, or anyone 13 in privity with him or them, of all claims against the United --14 States based upon such invention.

15SEC. 3. Any applicant, his successors, assigns, or legal 16 representatives, whose patent is withheld as herein provided, 17shall, if the order of the Commissioner of Patents above re-18 ferred to shall have been faithfully obeyed, have the right, 19 within one year from the date the applicant is notified that, 20except for such order, his application is otherwise in condi-21tion for allowance, or the effective date of this Act. which-22ever is later, to apply for compensation based upon the use, 23if any, of the invention by the Government, such right to 24 compensation to begin from the date of the use of the inven-25 tion by the Government. The head of any department or

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agency who caused the order to be issued is authorized, if 1 $\mathbf{2}$ any such claim is presented within the periods above speci-3 fied, to enter into an agreement with said applicant, his successors, assigns, or legal representatives, in full settlement 4 5 and compromise for such use, if any, and any such settle 6 ment agreement entered into shall be final and conclusive 7 for all purposes, notwithstanding any other provision of law 8 to the contrary. If full compromise and settlement of any 9 such claim cannot be effected, the head of any department or 10 agency who caused the order to be issued, may, in his dis-11 cretion, administratively award and pay to such applicant, 12his successors, assigns, or legal representatives, a sum noti-13exceeding 75 per centum of the maximum sum, if any, which in the opinion of the head of such department or agency. 14 would constitute fair and just compensation for such use, if 15any. Within two years after issuance of the patent, any $\mathbf{16}$ claimant who fails to secure an award satisfactory to him shall 1718 have the right to bring suit against the United States in the 19 Court of Claims for such amount which, when added to such 20 award, if any, shall constitute fair and just compensation for: 21 the use; if any, of the invention by the Government: Pro-22 vided, That in any such suit, and in any negotiations looking. toward settlement and compromise of any such claim, the 23 , 24 United States may avail itself of any and all defenses that may H.~R.~4420 -2 proposition in the standard problem for the standard problem in the standard proble

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be pleaded by it in an action under the Act of June 25, 1910,
 as amended (35 U. S. C. 68).

"SEC. 4. No person shall file or cause or authorize to be 3 4 filed in any foreign country an application for patent or for 5 the registration of a utility model, industrial design, or model 6 in respect of any invention made in the United States prior to ninety days after filing in the United States an 7 8 application covering such invention except when authorized 9 in each case by a license obtained from the Commissioner of Patents under such rules and regulations as he shall 10 11 prescribe: Provided, That no such license shall be granted 12 with respect to any invention which is the subject matter 13 of a subsisting order issued by the Commissioner of Patents 14 pursuant to section 1 hereof without the concurrence of the ¹⁵ heads of all departments or the chief officers of all agencies ¹⁶ who caused the order to be issued.

17 "SEC. 5. Notwithstanding the provisions of sections
18 4886 and 4887 of the Revised Statutes (35 U. S. C., secs.
19 31 and 32), any person and the successors, assigns, or legal
20 representatives of any such person, shall be debarred from
21 receiving a United States patent for an invention if such
22 person, or such successors, assigns, or legal representatives
23 shall, without procuring the authorization prescribed in sec24 tion 4 hereof, have made, or consented to or assisted an25 other's making, application in a foreign country for a patent

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or for the registration of a utility model, industrial design, 1 or model in respect of such invention where authorization $\mathbf{2}$ for such application is required by the provisions of section 3 4 hereof, and any such United States patent actually issued 4 to any such person, his successors, assigns, or legal repre-5 sentatives so debarred or becoming debarred shall be invalid. 6 "SEC. 6. Whoever, during the period or periods of time 7 an invention has been ordered to be kept secret and the grant 8 of a patent thereon withheld pursuant to section 1 hereof; 9 shall, with knowledge of such order and without due authori-10 zation, willfully publish or disclose or authorize or cause to be 11 published or disclosed such invention, or any material in-12formation with respect thereto, or whoever, in violation of the 13provisions of section 4 hereof, shall file or cause or authorize 14 to be filed in any foreign country an application for patent 15or for the registration of a utility model, industrial design, 16 or model in respect of any invention made in the United 17 States, shall, upon conviction, be fined not more than \$10,000 18 or imprisoned for not more than two years, or both. 19

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"SEC. 7. As used in this Act-

21 "The term 'person' includes any individual, trustee, cor22 poration, partnership, association, firm, or any other com23 bination of individuals.

24 "The term 'application' includes applications, and any

1 modifications, amendments, or supplements thereto, or con-2 tinuances thereof.

3 "The term 'use' includes manufacture, sale, or other dis4 position of the invention by the Government, or for the
5 Government with its authorization or consent.

6 Inventions, disclosure of which is detrimental to national 7 security, shall include but shall not be limited to inventions relating to (a) arms, ammunition, and implements of war; 8 9 (b) which can be applied only in the manufacture or use 10 of arms, ammunition, or implements of war; (c) inventions 11 coincident with or closely allied to classified federally financed 12research for national-security purposes; (d) inventions. 13 closely related to classified information relating to national 14 security in the possession of national-defense agencies; and 15 (e) inventions embodying a fundamental advance in tech-16 nology which would drastically increase the military potential 17 of foreign countries.

¹⁸ "SEC. 8. The prohibitions and penalties of this Act
¹⁹ shall not apply to any officer or agent of the United States
²⁰ acting within the scope of his authority.

²¹ "SEC. 9. The Secretary of War, the Secretary of the
²² Navy, the chief officer of any other department or agency.
²³ of the Government designated by the President as a defense.
²⁴ agency of the United States, the National Munitions Control.
²⁵ Board, and the Commissioner of Patents, may separately.

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1 issue such rules and regulations as may be necessary and

 $\mathbf{2}$ proper to enable the respective department or agency to 3 carry out the provisions of this Act, and in addition are authorized, under such rules and regulations as each may 4 $\mathbf{5}$ prescribe, to delegate and provide for the redelegation within 6 their respective departments or agencies of any power or 7 authority conferred by this Act to such responsible officers, 8 boards, agents, or persons as each may designate or appoint. 9 "SEC. 10. If any provision of this Act or of any sec-10tion hereof or the application of such provision to any 11 person or circumstance shall be held invalid, the remainder 12of the Act and of such section and application of such 13 provision to persons or circumstances other than those as 14 to which it is held invalid shall not be affected thereby. 15 "SEC. 11. Any order of secrecy heretofore issued, and 16 subsisting on the date of the approval of this Act, shall be 17 considered as an order issued pursuant to this Act and shall 18continue in force and effect for a period of one year from 19 the effective date of this Act unless sooner rescinded as 20provided herein: *Provided*, That any claim arising under 21the Act of which this Act is amendatory and unsettled as 22of the effective date of this Act, the provisions of any other 23Act or Acts to the contrary notwithstanding, may be 24presented and determined pursuant to the provisions of 25section 3 hereof.

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By Mr. MICHENER

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