Statement of

The Honorable Patrick Leahy

United States Senator Vermont July 12, 2007

Statement Of Senator Patrick Leahy, Chairman, Committee On The Judiciary, On The Patent Reform Act Of 2007, S.1145 Executive Business Meeting July 12, 2007

Today, we can complete the Committee's consideration of S.1145, the Patent Reform Act, cosponsored by Senators Hatch, Schumer, Cornyn and Whitehouse. We all know that Congress must act to update our patent laws. We have been considering this measure for over a month now, starting back in early June in preparation for the June 14th business meeting.

Our good faith and hard work have led to our adoption on June 21st, by unanimous consent, of a first Manager's Amendment. Further discussions have led to the preparation of another such amendment that I hope we can adopt at the outset of today's meeting and then work through any remaining amendments toward a final vote. Negotiations rarely leave everyone with everything they would like. I have tried to show flexibility and accommodate others' concerns where possible. Frankly, I favored the provisions in the bill as we introduced it. I know this is an important matter; that is why I have made it a priority. I understand that other Members and constituents of others have interests and concerns and have tried to incorporate recognition of them as we have proceeded.

Today's amendment addresses a number of important issues. It tightens the post-grant review process to address concerns about abuse, while still ensuring that the system is sufficiently robust to provide an effective and efficient process for considering the validity of patents without the full-blown costs of litigation.

The amendment also addresses questions that have been raised about the damages provision. The bill is intended to align damage awards with the value of the invention. I respect the constructive concerns that were raised about how the language of the current bill would affect the value of combination patents and how "reasonable royalty" is defined. The amendment accommodates these concerns, while retaining the core principle of the provision.

There are myriad other changes made to the bill, from technical tweaks to substantive improvements, all of which together are paving the way, I trust, for the Committee to report the bill favorably today. I understand that Senators may still wish to offer free-standing amendments. I do hope, however, that Senators will respect the efforts we have made to accommodate their interests and the interests of their constituents in the two Manager's Amendments. And I hope we can move through the amendments so that we can complete our work on the Patent Reform Bill and then proceed to the other items on the agenda.

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