

The towns of Durham, Newmarket, and Lee have all expressed vigorous support for the inclusion of the river in the program. Although the portion of the Lamprey in the town of Epping was included in the study and deemed eligible for inclusion in the program, the town has opted not to vote on designation at this time but may seek designation for its portion of the river at some point in the future.

The management of the Lamprey will be based on the locally-developed river management plan. The plan emphasizes the importance of both individual responsibility to "Tread Lightly" and of local zoning laws and public education. Federal acquisition of land by condemnation is prohibited. In essence this plan will insure that local concerns and interests are the basis for the management of the river. The State of New Hampshire will continue to be involved in the management of the river, as it has since the river was included in the State's River Protection Program in 1988. Additionally, the National Park Service will continue to offer its assistance to the Lamprey River Advisory Committee as it is needed.

In closing, there has been a great deal of discussion here in Washington on the issue of what the Federal Government's role should be when it comes to the protection of our natural resources. The local, State, Federal partnership that has developed in relation to the Lamprey River is a perfect example of the direction we must head in; namely, an emphasis on local input and control, with State and Federal agencies working to assist and provide information and expertise where appropriate.

I am very proud to submit this legislation at the request of my constituents in Lee, Newmarket, and Durham, NH, as well as for the scores of people who use the Lamprey River for the recreational and educational opportunities it offers. I am also very pleased to see the circle completed, having initiated both the legislation to study the river and today's legislation to include the studied portion of the Lamprey in Lee, Newmarket, and Durham in the Wild & Scenic program. I am grateful that the citizens of New Hampshire have given me this opportunity.

THE PRIOR DOMESTIC  
COMMERCIAL USE ACT OF 1995

**HON. CARLOS J. MOORHEAD**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 4, 1995*

Mr. MOORHEAD. Mr. Speaker, I introduce the Prior Domestic Commercial Use Act of 1995. It is the product of many months of hard work and represents a compromise that I believe will be acceptable to all interested parties.

This bill is about patents. It is about inventions that have already been in commercial use and benefiting the public before another inventor comes later and applies for a patent.

Normally inventions already in use are what is called prior art and in most circumstances issuing from subsequent applications on such prior art will be found invalid. A problem arises, however, where the invention is not publicly known and where the process of commercialization did not reveal the invention itself to the public. These situations can occur, for example, when the invention is part of a man-

ufacturing process used to make a commercial product or software used to control such a process. For such cases, there is no statutory or case law that makes clear what should happen if the holder of such a patent sues the earlier practitioner for infringement. Is the patent enforceable against the earlier practitioner? Some attorneys predict the patentee will prevail because the invention was not publicly disclosed. Other predict the patent will be found unenforceable against the earlier practitioner.

At present the court's only option is a finding of either infringement or invalidation. One party must lose everything. Yet in these circumstances, each party has created some public benefit; the first by bringing the fruits of the invention to the public, the second by disclosing the invention to the public. Fairness suggests that neither party deserves to lose everything. Thus present law confronts us with a quandary. It provides only for a "winner take all" outcome and it does not make clear who the winner should be.

Earlier attempts to resolve this issue have met with opposition from those who believe that inventors have an obligation to disclose or patent every innovation. For inventors who fail to do so, these opponents presumably believe that their inventions should be taken away from them by others who come along later and file patents on the same material.

Mr. Speaker, anyone who has worked in industry or built a manufacturing business knows that there are any number of reasons why one might not secure a patent one very invention. Once issued, an American patent tells the whole world how to copy the invention. Manufacturers fear that inventions relating to internal processes are almost impossible to police and protect in many other countries. Then too, small investors may be unable to afford the costs of obtaining even a U.S. patent on every invention, much less world wide protection. It is also true that in many cases, the inventor does not realize that what seemed like just an innovation was indeed a patentable invention. In any case, a serious problem arises when a later inventor, and that later inventor need not be an American, comes along and independently invents the same process, tool, or software that the earlier innovator has been using. This later inventor can apply for a U.S. patent. If the earlier innovator did not publish the innovation, the Patent Office may not know of it and the later inventor might actually receive a patent on the innovation. This situation gives rise to the question of whether or not that patent is or ought to be valid and whether or not it may be enforced against the earlier innovator.

We also should not assume that all of these later inventors have been operating in good faith. In these days of growing industrial espionage, it is possible that the later inventor simply patented the product or process by means of reverse engineering or by looking through a factory window. I have seen U.S. patents issued to foreign companies who appear to have reverse engineered American products and patented the method of manufacture. The law in those companies' home countries prevents them from enforcing such patents in their own land. The bill I am introducing today will ensure that American industry has the same protection.

Opponents of earlier legislation have feared that any law recognizing unpublished earlier

use would be misused and weaken legitimate patents issued to persons who are undisputed first inventors. The university community was particularly concerned that such a law might impair their opportunity to license their inventions. This bill introduced today has been carefully crafted to prevent such an outcome. As a result of its limitations, this bill will not affect the vast majority of patents. The only patents that will be affected are those patents written on internal software, processes, or tools which were already being used by others for public benefit. For those questionable patents, this bill promotes sound public policy by recognizing the public contribution made by both parties.

By providing a specific defense for this limited class of inventions, this bill will make long and expensive infringement or invalidation litigation unnecessary. Moreover, some very strict limitations must be met before the defense can be used. First, the earlier use of the invention must have been commercial and the public must have benefited from that commercial use. Simply making an invention and even reducing it to practice are insufficient grounds for the defense. Second, the commercial use and public benefit must have occurred more than one year prior to the priority date of the patent. Third, the defense will not be available where the commercial use has been terminated and abandoned. Fourth, the patentee or the patentee's work must not have been the source of the user's technology. Fifth, the commercial use must have occurred on American soil. Sixth, the defense is not a license under the patent nor is it a defense against the entire patent. It is a defense only for the subject matter that can be proved to have been used commercially before the filing date. Seventh, the burden of proof falls entirely on the prior commercial user. Eighth, the defense is personal, it cannot be transferred to another. Finally, sanctions are provided to discourage a frivolous defense.

This bill will create for American manufacturers the same protection that their overseas competitors already have. It is a domestic bill that removes some of the incentives now enjoyed by offshore manufacturing. In addition, considerations of fairness, public policy, and the need to make America more competitive in the international economy all strongly support this legislation.

Mr. Speaker, I am hopeful that all concerns about this legislation have been resolved and that this bill can become enacted this year.

TIME FOR TOUGH ACTION ON TERRORISM—THE UNITED STATES MUST NEVER YIELD TO TERRORIST THREATS

**HON. TOM LANTOS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, August 4, 1995*

Mr. LANTOS. Mr. Speaker, earlier this week our Government barred the entry into the United States of Musa Mohammed Abu Marzuq, a senior official of the Islamic Palestinian extremist terrorist organization, Hamas. Abu Marzuq is chief of Hamas' political bureau where he is responsible for coordinating international aspects of Hamas' terrorist activities, and in particular, fund raising efforts and the