

As Introduced

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Representative Roegner

**Cosponsors: Representatives Brown, Becker, Vitale, Terhar, Hood, Kraus,
Romanchuk, Blessing**

A BILL

To enact sections 2307.66 and 2307.67 of the 1
Revised Code to prohibit a person from engaging 2
in the widespread sending of bad faith, 3
objectively baseless communications of patent 4
infringement and to authorize the Attorney 5
General to investigate and institute a civil 6
action if the Attorney General believes a person 7
has made such assertions of patent infringement. 8

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 2307.66 and 2307.67 of the 9
Revised Code be enacted to read as follows: 10

Sec. 2307.66. (A) No person, in connection with the 11
assertion of a United States patent, shall engage in the 12
widespread sending of bad faith, objectively baseless written or 13
electronic communications to intended recipients that state that 14
the intended recipients, or persons affiliated with those 15
recipients, are infringing or have infringed the patent and bear 16
liability or owe compensation to another. 17

(B) A written communication is objectively baseless if the 18

assertions contained in the communication lack a reasonable 19
basis in fact or law due to any of the following: 20

(1) The person asserting the patent is not a person, or 21
does not represent a person, with the current right to license 22
the patent to, or to enforce the patent against, the intended 23
recipients or persons affiliated with those recipients. 24

(2) The communication seeks compensation for a patent that 25
has been held to be invalid or unenforceable in a final, 26
unappealable or unappealed, judicial or administrative decision. 27

(3) The communication seeks compensation on account of 28
activities undertaken after the patent has expired. 29

(C) Examples of communications that are made in bad faith 30
include the following: 31

(1) A communication with content that is likely to 32
materially mislead a reasonable recipient because the content 33
fails to include such facts as are reasonably necessary to 34
inform the intended recipient of all of the following: 35

(a) The identity of the person asserting a right to 36
license the patent to, or enforce the patent against, the 37
intended recipient or persons affiliated with the intended 38
recipient; 39

(b) The patent or patents issued by the United States 40
patent and trademark office that are alleged to have been 41
infringed; 42

(c) An identification of at least one product, service, or 43
technology of the intended recipient that is alleged to infringe 44
the identified patent or patents; 45

(2) A communication that falsely states that litigation 46

has been filed against the intended recipient or falsely 47
threatens that administrative or judicial relief will be sought 48
if compensation is not paid or the infringement issue is not 49
otherwise resolved. 50

(D) Nothing in this section shall be construed to deem it 51
an unlawful practice for any person who owns or has the right to 52
license or enforce a patent to: 53

(1) Advise another person of that ownership or right of 54
license enforcement; 55

(2) Communicate to another person that the patent is 56
available for license or sale; 57

(3) Notify another person of the infringement of the 58
patent; 59

(4) Seek compensation on account of a past or present 60
infringement or for a license to the patent. 61

(E) A court may consider the following factors as evidence 62
that a person has not made a bad faith assertion of a patent 63
infringement: 64

(1) The person's written communication to intended 65
recipients contains the information described in divisions (C) 66
(1)(a) to (c) of this section; 67

(2) The person makes or has made a substantial investment 68
in the use of patents in the production or sale of a product, 69
service, or technology that is covered by the patent; 70

(3) The person is any of the following: 71

(a) The inventor or joint inventor of the patent or, in 72
the case of a patent filed by and awarded to an assignee of the 73

<u>original inventor or joint inventor, is the original assignee;</u>	74
<u>(b) An institution of higher education or a technology transfer organization owned or affiliated with an institution of higher education.</u>	75 76 77
<u>(4) The person has done either of the following:</u>	78
<u>(a) Demonstrated good faith business practices in previous efforts to enforce the patent or a substantially similar patent;</u>	79 80
<u>(b) Successfully enforced the patent or a substantially similar patent through a patent infringement action;</u>	81 82
<u>(5) Any other factor that the court considers relevant.</u>	83
<u>(F) As used in this section:</u>	84
<u>(1) "Intended recipient" means a person who purchases, rents, leases, or otherwise obtains a product, service, or technology in the commercial market and that is, or later becomes, the subject of a patent infringement allegation.</u>	85 86 87 88
<u>(2) "Institution of higher education" has the same meaning as in section 2741.01 of the Revised Code.</u>	89 90
Sec. 2307.67. <u>(A) If the attorney general, by the attorney general's own inquiries or as a result of complaints, has reasonable cause to believe that a person has engaged in the sending of bad faith, objectively baseless written or electronic assertions of patent infringement in violation of section 2307.66 of the Revised Code, the attorney general may investigate. For this purpose, the attorney general may administer oaths, subpoena witnesses, adduce evidence, and require the production of relevant matter. If the relevant matter is located outside of Ohio, the attorney general may designate representatives, including officials of the state in</u>	91 92 93 94 95 96 97 98 99 100 101

which the matter is located, to inspect the matter on the 102
attorney general's behalf. 103

(B) The attorney general may institute a civil action in 104
accordance with section 109.16 of the Revised Code seeking a 105
preliminary injunction or permanent injunction to restrain or 106
prevent a person from taking actions and making assertions or 107
allegations that constitute bad faith, objectively baseless 108
assertions of patent infringement in violation of section 109
2307.66 of the Revised Code, if the attorney general believes 110
that the action would be in the public interest. The court may 111
issue an order granting a preliminary injunction or permanent 112
injunction to restrain or prevent any person from taking actions 113
and making assertions and allegations that constitute bad faith, 114
objectively baseless assertions of patent infringement in 115
violation of section 2307.66 of the Revised Code, whether 116
individually or in concert with another corporation, 117
association, partnership, or other person or legal entity. The 118
injunction order shall by its terms be binding on the person 119
against whom it is directed and all officers, agents, servants, 120
employees, attorneys, and those persons in active concert or 121
participation with the person against whom it is directed who 122
receive actual notice of the order whether by personal service 123
or otherwise. 124

(C) This section does not limit or affect other rights, 125
duties, privileges, and powers conferred by law upon the courts 126
and the attorney general. 127