

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To amend title 35, United States Code, to provide for proceedings to determine improper conduct in certain post-issuance proceedings, and for other purposes.

**IN THE SENATE OF THE UNITED STATES—114th Cong., 1st Sess.**

**S. 1137**

To amend title 35, United States Code, and the Leahy-Smith America Invents Act to make improvements and technical corrections, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. VITTER

Viz:

1 At the appropriate place, insert the following:

2 **SECTION \_\_\_\_ . PREVENTION OF FRAUDULENT ATTACKS ON**  
3 **PATENTS.**

4 (a) **LIABILITY AND DAMAGES.—**

5 (1) **IN GENERAL.—**Part III of title 35, United  
6 States Code, is amended by adding at the end the  
7 following:

1 **“CHAPTER 33—LIABILITY AND DAMAGES**  
2 **FOR FRAUDULENT POST-ISSUANCE**  
3 **PROCEEDINGS**

“Sec.

“331. Liability and damages for fraudulent post-issuance proceedings.

4 **“§ 331. Liability and damages for fraudulent post-**  
5 **issuance proceedings**

6 “(a) DEFINITIONS.—In this section—

7 “(1) the term ‘Patent and Trademark Office  
8 correspondence regulation’ means section 11.18(b)  
9 of title 37, Code of Federal Regulations, and suc-  
10 cessor regulations; and

11 “(2) the term ‘post-issuance proceeding’  
12 means—

13 “(A) an ex parte reexamination under sec-  
14 tion 302;

15 “(B) an inter partes review under section  
16 311;

17 “(C) a post-grant review under section  
18 321, including a transitional post-grant review  
19 proceeding to which section 18 of the Leahy-  
20 Smith America Invents Act (35 U.S.C. 321  
21 note) applies; or

22 “(D) an inter partes reexamination under  
23 section 311, as such section was in effect on the  
24 day before the effective date set forth in section

1           6(c)(2) of the Leahy-Smith America Invents  
2           Act (35 U.S.C. 311 note).

3           “(b) LIABILITY.—Any person who files, or causes to  
4 be filed, a request or petition for a post-issuance pro-  
5 ceeding and, in filing or causing the filing of such request  
6 or petition, or during the course of any such proceeding,  
7 knowingly and willfully acts in a manner that is contrary  
8 to the certification by or on behalf of such person as re-  
9 quired by the Patent and Trademark Office correspond-  
10 ence regulation shall, if such act is material to such pro-  
11 ceeding or constitutes egregious conduct, be liable, in an  
12 action described in subsection (c), to the owner of that  
13 patent that is the subject of such proceeding for damages  
14 sustained because of such patent having been subject to  
15 such proceeding.

16           “(c) ACTION TO RECOVER DAMAGES.—The owner of  
17 the patent referred to in subsection (b) may bring suit  
18 for the determination of liability and recovery of damages  
19 under this section in the United States District Court for  
20 the Eastern District of Virginia or any other district court  
21 of the United States of competent jurisdiction. The right  
22 to bring suit under this section may be transferred from  
23 the owner of the patent to an exclusive licensee by agree-  
24 ment between the owner and licensee.

1 “(d) PLEADING.—Any act establishing liability under  
2 this section shall be pleaded with particularity.

3 “(e) AWARD OF DAMAGES PLUS COSTS.—

4 “(1) IN GENERAL.—If the party bringing an ac-  
5 tion under subsection (c) prevails, the court shall  
6 award to that party damages described in subsection  
7 (b), plus interest thereon, and may also award the  
8 costs and reasonable attorney’s fees incurred by that  
9 party in the post-issuance proceeding referred to in  
10 subsection (b), and the costs and reasonable attor-  
11 ney’s fees incurred by that party in bringing suit  
12 under this section. The court may also award to that  
13 party the costs and reasonable attorney’s fees in-  
14 curred in any related district court proceeding  
15 brought to enforce a judgement obtained under this  
16 section.

17 “(2) TREBLE DAMAGES.—In an action under  
18 subsection (c), the court may increase the damages  
19 up to 3 times the amount determined under this sec-  
20 tion and may grant any equitable relief that the  
21 court deems just.”.

22 (2) CONFORMING AMENDMENT.—The table of  
23 chapters for part III of title 35, United States Code,  
24 is amended by adding at the end the following:

**“33. Liability and damages for fraudulent post-issuance  
proceedings ..... 331”.**

1 (b) EFFECTIVE DATE.—

2 (1) IN GENERAL.—The amendments made by  
3 this Act shall take effect on the date of enactment  
4 of this Act and shall apply to—

5 (A) any claim of liability based on an act  
6 occurring on or after the date of enactment of  
7 this Act in any post-issuance proceeding re-  
8 ferred to in section 331(b) of title 35, United  
9 States Code, as added by subsection (a); and

10 (B) any claim based on an act occurring  
11 before such date of enactment in any such pro-  
12 ceeding if the patent owner referred to in sec-  
13 tion 331(b) of title 35, United States Code,  
14 filed an action making such claim in any court  
15 before the date of enactment of this Act.

16 (2) TREATMENT OF STATUTES OF LIMITATIONS  
17 FOR PRIOR ACTS.—No claim, or action based on  
18 such claim, that is described in paragraph (1)(B)  
19 shall be barred by any statute of limitations, if such  
20 claim or action based on such claim is brought with-  
21 in the 2-year period beginning on the date of enact-  
22 ment of this Act.