

The Non-Precedential Claim Construction Black Hole *

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*Except for an “*An Update*” (pp. 2-3), changed pagination and footnote numbering, deletions (“...”), and the two appendices, this paper is a *verbatim* reproduction of, *A Widening Nonprecedential Patent Black Hole*, as prepared on September 22, 2005, i.e., it was drafted before the Supreme Court rules change and – perhaps more significantly – *before* the start of the October 2006 term of the Court and the explosion of Supreme Court interest in patents. This paper represents the personal views of the writer and does not necessarily represent the position of any colleague, organization or client thereof.

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AN UPDATE...

The original paper focused upon nonprecedential opinions, particularly using as a paradigm claim construction rulings. Several comments are necessary to bring this paper up to date: First, the Supreme Court *has* adopted the changes in the Federal Rules of Appellate Procedure to make it permissible to cite nonprecedential opinions; the rule change is being minimalistically implemented by the Federal Circuit. *See Supreme Court Adoption of Changes in the FRAP* (page 2). Yet the court itself has done nothing to encourage citation of nonprecedential opinions; to the contrary, it has never repudiated the admonition that “other courts [should not] use nonprecedential opinions[.] ... When you use a nonprecedential opinion in any way as a guideline for how the Court will act in another case, you act unprofessionally.” *See “[Using] a nonprecedential opinion...you act unprofessionally”* (page 3).

It may have been the intention of the court to place its weaker dispositions below the radar screen of other courts either by rendering affirmances without an opinion of any by use of a nonprecedential disposition. This has not at all deterred Supreme Court review. *See The Supreme Court Reviews Nonprecedential Opinions* (page 3).

Whatever reasons for optimism that the *Phillip* case would both create a common view of claim construction at the court and decrease the use of precedential dispositions have proven to be ill-founded. *See Continued Abuse of Nonprecedentials for Claim Construction* (page 3).

***Cybor!* The Need to Review *de novo* Review**

Like-titled Appendix II (pp. 39-45) focuses upon the crisis involving *de novo* review of claim construction rulings that is most dramatically played out in what may be the perfect storm for Supreme Court review, the *Erythropoietin* case, *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, __ F.3d __, 2006 WL 2167206 (Fed. Cir. 2006).

The crisis represents perhaps the single most important point for early *en banc* review by the court, or otherwise *certiorari* review by the Supreme Court.

Supreme Court Adoption of Changes in the FRAP

As predicted, the proposed rules change on citation of nonprecedential opinions has now been adopted by the Court, leading to an amendment to the *Federal Rules of Appellate Procedure* effective January 1, 2007. In turn, the lower appellate courts must adapt their local rules: The Federal Circuit has proposed rules to continue with nonprecedential – *but now citable* – opinions; *see Notice of Rule Change*, June 15, 2006 (setting a comment period through August 18, 2006), <http://www.fedcir.gov/pdf/rulechange.pdf>:

“[Using] a nonprecedential opinion...you act unprofessionally.”

It would be helpful if the court would expressly repudiate its *in terrorem* admonition that it considers nonprecedential citation “unprofessional[]”, even by other courts. “Should other courts use nonprecedential opinions? Of course not. If our judges don't use them, why in the world should others use them? ... When you use a nonprecedential opinion in any way as a guideline for how the Court will act in another case, you act unprofessionally.” *The Ninth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 140 F.R.D. 57, 66 (quoting the Clerk of the Court, Frank Gindhart).

The Supreme Court Reviews Nonprecedential Opinions

The Supreme Court has thrice ignored this admonition in connection with *Apotex, Inc. v. Pfizer, Inc.*, 159 Fed.Appx. 1013 (Fed. Cir. 2005)(per curiam affirmance without opinion), *subsequent petition*, No. 05-1006, order asking Solicitor General for the opinion of the United States whether to grant *certiorari*, 126 S.Ct. 2057 (Mem) (2006); *Teleflex Inc. v. KSR Intern. Co.*, 119 Fed.Appx. 282 (Fed. Cir. 2005)(Schall, J.)(non-precedential), *cert. granted sub nom KSR Intern. Co. v. Teleflex Inc.*, No. 04-1350 (2006)(appeal pending); and *Holmes Group, Inc. v. Vornado Air Circulation Systems, Inc.*, 13 Fed.Appx. 961 (Fed. Cir. 2001)(non-precedential per curiam order vacating trial court decision and remanding to trial court), *rev'd*, 535 U.S. 826 (2002).

Continued Abuse of Nonprecedentials for Claim Construction

In terms of claim construction rulings, this paper was written shortly after *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005)(*en banc*), when it was too early to determine whether this case would, in fact, make a difference in claim construction rulings by the court. Would there be a unified, post-*Phillips* court reflected by unanimous panel opinions on claim construction? As manifested by the statistics in Appendix I, *Post-Phillips Claim Construction Rulings*, there is little reason for optimism that this is the case. Neither is there reason for optimism that nonprecedential citations will decrease in the case of controversial rulings – as seen by the several nonprecedential split opinions.

I. OVERVIEW

Citation in court pleadings of heretofore uncitable not-for-publication opinions of the Federal Circuit is just around the corner. The Judicial Conference determination to permit such citations should be met by widespread appreciation of the intellectual property community. This paper considers the nonprecedential disposition of patent appeals at the Federal Circuit in the context of compliance with the policies established at the outset of the court's existence as well as proposals for reforms of the system, particularly what appears to be the inevitable abolition by January 1, 2007, of nonprecedential opinions as a result of the intervention of the Judicial Conference.

The genesis of the nonprecedential disposition of patent cases came from the very real world concern of Chief Judge Howard T. Markey that the court should have sufficient time to dig deeply into major patent controversies; but, to do this, a substantial number of appeals that had no obvious merit to the patent community at large should be given a summary disposition. See § II, "*Unimportant*" *Nonprecedential Judgments*. Two forms of nonprecedential judgments were created. First, opinions could be written in a short not-for-publication form that would be a public record but not citable as precedent. See § II-A, *Rule 47.6 basis for Nonprecedential Dispositions*. Second, local Rule 36 was created: No opinion at all is required for meritless appeals where the court need only agree with the *judgment* of the court below – even if there is disagreement with the rationale of that lower tribunal. See § II-B, *The Opinion-Free Rule 36 Summary Affirmance Order*.

"Wishful thinking." "Anger" therapy. "A really weak case." Rule 36 is designed for the frivolous or borderline-frivolous appeal; the Chief Judge of the court has said that it is a way of sending "an implied message" to counsel. See § II-C, "*An Implied Message*" to *Frivolous Appellants*.

The scores of truly frivolous or near frivolous appeals provide an overwhelming majority of cases disposed of through Rule 36 that meet the criteria for use of this regulation. Yet, it is the hard case that all too often slips into the black hole of Rule 36. See § III, *Ongoing Deviations from the Practice*. Cases far from the frivolous may be statistically few in number but nevertheless are significant and demonstrate the gross abuse of Rule 36. Examples include *nonprecedential* determinations that "prosecution laches"

has no place in the statutory scheme of patent law under the 1952 Patent Act (later ignored in a precedential decision) and an *en banc* opinion where four of the members of the court agreed only with the judgment. Split panel opinions that are issued under Rule 36 are clearly *faux* precedential appeals where the panel for whatever reason either did not wish to have the opinion have a precedential value or because the panel did not see that the panel opinion could withstand the scrutiny of the *en banc* court review required for a precedential opinion. See § III-A, *Significant Violations of the Rule 36 Practice*. But, nothing in the 1980's has prepared the system for the widespread use of nonprecedential dispositions in claim construction cases that goes on today. See § III-B, *Claim Construction Disharmony*.

Widespread attention has been given to claim construction and the great abuse of the nonprecedential disposition system in this area. This has provided a controversial microcosm for study. Up to fifty-five (55) percent of *opinions* where claim construction is at issue involve a repudiation of at least one trial court ruling, whereas a “guesstimate” that includes all Rule 36 summary affirmances as a confirmation of claim construction may lead to a figure of roughly thirty-three (33) percent reversals. (Study of anything other than the *opinions* is at best a guessing game as one can never determine *which* reason was found persuasive by the Federal Circuit for an affirmance where there is a summary disposition of an appeal where multiple reasons for appeal are raised.) If one wants to point to the lowest rate of reversals, one can look to the Federal Circuit's own statistics that have shown an average of a twelve (12) percent reversal rate for all appeals from all District Court decisions in all areas for all issues for the past two years. See § IV, *The Claim Construction Paradigm*.

Closely related to the black hole of secrecy surrounding the nonprecedential and summary affirmances of so many patent appeals is the fact that often there is *nothing published* relevant to the proceedings insofar as the trial court or the PTO actions are concerned. See § V, *A Transparent Appellate Process*. Only a small minority of trial proceedings for cases that reach a final disposition at the court are published in the *Federal Supplement*. See § V-A, *Lack of Effective Public Access to Opinions Below*. Roughly on the order of a third of the cases from the trial courts are published in any form. See § V-A-1, *Appeals from the District Court*. Essentially *none* of the PTO opinions are published before a decision by the court. See § V-A-2, *Appeals from the PTO*. The convergence of secrecy and

long delays in what amounts to a *de facto in camera* jurisprudence is seen from the *Capon* case. See § V-B, *In Camera Justice: The Capon Caper*.

A series of reforms are proposed for nonprecedential dispositions. See § VI, *Nonprecedential Disposition Reform*. Near term reforms include naming names, putting a name to the face of the appellants (or any other counsel), so that nonprecedential recidivists will have their track records exposed to public scrutiny. Additionally, requirements should be made to permit trial opinions not picked up by Westlaw or Lexis to be available electronically. See § VI-A, *Near Term Reforms*. For the longer range, a simplified *per curiam* format should be available for precedential opinions that today are the subject of a nonprecedential disposition. See § VI-B, *Toward a Simplified, Precedential Practice*.

... The Judicial Conference has mandated that by January 1, 2007, all courts of appeal – including the Federal Circuit – must abolish the practice of issuing nonprecedential opinions. ... Consideration of the manner of implementation of this practice with minimization of any disruption in the workflow of the court is considered. See § VI-B, *Reforms Mandated by the Judicial Center*.

It is not enough that there be implementation of the reforms suggested in this paper; they would permit more aggressive participation by *amici* and academic criticism of the issues during the appellate process. Yet, unless the court pays attention to the scholarly debates, it will do little good to bridge the increasing chasm between the academic community and the court. It would be utterly naïve to say that the upper end academics have the highest degree of respect for the scholarship of the court. To the contrary, the academic community has been increasingly open and hostile in its criticism of the body of work of the court to the extent of encouraging Supreme Court review of doctrines where there has been little controversy. A healthy debate amongst the academics on patent issues should be the goal; the court is then free to pick and choose – and analyze the splits and help synthesize an improved body of patent case law. Today, the relationship stands on its head as there is more and more a unified voice amongst the academic community *against* the Federal Circuit. See § VII, *An Isolated Federal Circuit*.

II. “UNIMPORTANT” NONPRECEDENTIAL JUDGMENTS

Only a fraction of all patent *decisions* in appeals from the trial courts come from the Federal Circuit in the form of a precedential opinion. A great many are issued as opinions that are decreed to be nonprecedential, although this practice is about to be abolished;¹ another chunk of the decisions have no opinion at all but are simply summary affirmances of the *decision* by the trial court. In the early years of the practice involved a simple notification in the *Federal Reporter* in a table about the existence of a nonprecedential opinion that was not published, whereas for some time all opinions, including the nonprecedential opinion, have been published both in print and electronically.²

The original thinking a generation ago – when the Federal Circuit was created and this three-way split was put into play – was that precedential opinions would always be given for all but the legally unimportant cases without controversy. Even today, the more extreme treatment of a summary affirmance is considered by the court itself to be reserved for what amounts to frivolous or near-frivolous appeals or those where it would be immediately obvious to anyone reading the trial court opinion why the case could not have been won on appeal.

A. Rule 47.6 Basis for Nonprecedential Dispositions

An opinion is not citable as precedent where it is nominated as nonprecedential by the court.³ But, to issue an opinion as nonprecedential constitutes an affirmative representation by the court that “it [does] not add[] significantly to the body of law.”⁴ Where the opinion is nonprecedential, it may *not* be cited as precedent.⁵

¹See § V-B, *Reform Mandated by the Judicial Center*. For a comprehensive study of the proposed change, see Tim Reagan *et al.*, *Citations to Unpublished Opinions in the Federal Court of Appeal* (Federal Judicial Center June 1, 2005; 179 pp.).

²Today, all nonprecedential opinions are available in the *Federal Appendix* and electronically, for example, on Westlaw on the CTAF database.

³“A disposition may be cited as precedent of the court unless it is issued bearing a legend specifically stating that the disposition may not be cited as precedent.” Local Rule 47.6(a), Opinion and Order of the Court; *Disposition of Appeal, Motion, or Petition; Precedential Effect*.

The local rule provides an escape hatch for a panel that considers that it has the right *holding* in a draft opinion but cannot square its *rationale* with existing precedent in a clear manner or where the panel wishes to issue the opinion without interference from the members of the court who have not sat on the panel.⁶ A generally unsuccessful mechanism exists for a party or a member of the public to have a nonprecedential opinion converted into a precedential decision by filing a timely petition.⁷

B. The Opinion-Free Rule 36 Summary Affirmance Order

Federal Circuit local Rule 36 provides for the summary disposition of an appeal *without* an opinion nor any indication of why the judgment is affirmed.⁸ Rule 36 has *already* become a serious issue of controversy. But,

⁴ “An opinion or order which is designated as not to be cited as precedent is one determined by the panel issuing it as not adding significantly to the body of law.” Local Rule 47.6(b), *Opinion and Order of the Court; Nonprecedential Opinion or Order*.

⁵ *Id.* (“Any opinion or order so designated must not be employed or cited as precedent. This rule does not preclude assertion of claim preclusion, issue preclusion, judicial estoppel, law of the case, or the like based on a decision of the court designated as nonprecedential.”).

⁶ Whereas there is an automatic circulation of all *precedential* opinions to the entire court to permit participation in the decision-making process, for a *nonprecedential* opinion the three member panel typically releases the opinion *without* consideration by the nine members of the court who are not on the panel.

⁷ “Within 60 days after any nonprecedential opinion or order is issued, any person may request, with accompanying reasons, that the opinion or order be reissued as precedential. An original and 6 copies of the request must be filed with the court. The request will be considered by the panel that rendered the disposition. The requestor must notify the court and the parties of any case that person knows to be pending that would be determined or affected by reissuance as precedential. Parties to pending cases who have a stake in the outcome of a decision to make precedential must be given an opportunity to respond. If the request is granted, the opinion or order may be revised as appropriate.” Local Rule 47.6(c), *Opinion and Order of the Court; Request to Make an Opinion or Order Precedential; Time for Filing*.

⁸ Federal Circuit Local Rule 36, *Entry of Judgment – Judgment of Affirmance Without Opinion*, provides that:

“The court may enter a *judgment* of affirmance *without opinion*, citing this rule,

in light of the expected change in the Federal Rules of Appellate Procedure to end the Federal Circuit proscription against citation of nonprecedential opinions, there should be a great increase in the Rule 36 practice.⁹

The person principally responsible creation of Rule 36, Chief Judge Howard T. Markey, has explained that the rule provides for a “summary affirmance” of the judgment in contrast to “[t]he unpublished opinion [which] may either affirm or reverse and will tell the recipient why he lost or why she lost[.]”¹⁰

To determine *why* the court affirmed the judgment, the parties and the public must speculate based upon reading the record below. It is too simple an answer to say that finding out the court’s rationale merely requires one to

when it determines that any of the following conditions exist and an opinion would have no precedential value:

“(a) the *judgment, decision, or order of the trial court* appealed from is based on findings that are not clearly erroneous;

“(b) the evidence supporting the jury's verdict is sufficient;

“(c) the record supports summary judgment, directed verdict, or judgment on the pleadings;

“(d) the decision of an administrative agency warrants affirmance under the standard of review in the statute authorizing the petition for review; or

“(e) a *judgment* or decision has been entered without an error of law.”

(emphasis added)

⁹The Federal Circuit itself has made this prediction. See *Proposed Changes to the Federal Rules of Appellate Procedure*, letter of Chief Judge Haldane Robert Mayer to Peter G. McCabe, Secretary, Committee on Rules of Practice and Procedure, Administrative Office of the United States Courts, January 6, 2004, p. 2 [posted on www.fedcir.gov downloaded September 22, 2005] (With the adoption of the new rule, “it is likely that there will be an increase in Federal Circuit Rule 36 judgments without opinion.”).

¹⁰*The Eighth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit* [May 31, 1990], 133 F.R.D. 245, 254 (1991) (responding to an audience-submitted question: “What is the difference between a Rule 36 judgment without opinion and an unpublished opinion?”) (“The Rule 36 order is one of summary affirmance. The unpublished opinion may either affirm or reverse and will tell the recipient why he lost or why she lost, whereas the Rule 36 simply summarily affirms and the recipient reads again, if he has to, the affirmed decision below to find out why he lost on appeal.”).

“read[] again...the affirmed decision below to find out why [appellant] lost on appeal.”¹¹

Thus, there are often multiple reasons and rationales for a court’s opinion, and to simply read the opinion below – with or without reading the appellate briefs – leaves the reader without a definitive statement as to the *actual* reason chosen by the court. To the extent that the Rule 36 appeals are truly meritless then it serves no useful purpose to devote resources to their study.

Accordingly, absent the rare case where the trial court has a very narrow holding that is limited to a specific claim construction issue and where the only issue raised by appellant is the single claim construction issue, it is impossible to determine *which* rationale the Federal Circuit utilizes as basis for the affirmance of the trial court’s *judgment*.

C. “An Implied Message” to Frivolous Appellants

“Wishful thinking.”¹²

“Anger” therapy.¹³

“A really weak case.”¹⁴

“Meritless.”¹⁵

¹¹*Id.*

¹²*The Sixteenth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 193 F.R.D. 263, 300 (remarks of Judge Michel) (“[O]ur major use of the Rule 36 no opinion affirmance is in pro se cases... A great many of those cases are brought as a matter of wishful thinking or of therapy from anger at the former government agency employer. So it's pretty rare for us to have a serious appeal that's decided by Rule 36 judgment. And when we do so in a represented case maybe there is almost an implied message in the selection of a Rule 36 no opinion judgment.”).

¹³*Id.*

¹⁴*The Sixteenth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 193 F.R.D. 263, 299 (remarks of Judge Clevenger) (“Sure, [Rule 36 is] quicker. ... Every minute, every hour that I spend on a really weak case, is taken away from a hard case.”)

Rule 36 is designed to deal with the frivolous or near-frivolous appeal. The appeal in a case that ends up as a Rule 36 affirmance is often filed to postpone an inevitable loss on appeal; a high visibility trial loss that could cause the patentee's stock to plunge tens if not hundreds of millions of dollars may be tempered by a sharply worded press release announcing a vigorous appeal to the Federal Circuit, coupled with the same trial counsel that lost the case arguing the facts *de novo* – without regard to the appellate standards of review – and seemingly without a focus on winning the appeal: Spending several hundred thousand dollars for an appeal to postpone the ultimate Federal Circuit loss a year or so is a small price to pay. Thus, there are a number of patent cases where the losing party at trial cannot absorb an immediate defeat so that an appeal is taken that is frivolous or at best without merit under the standard of review at the court. Whether it's corporate management posturing to the investment community that a vigorous appeal is being taken or in house or outside counsel seeking time to adjust management expectations to the defeat that will be given on appeal a year later, there are too many cases where appeals are taken simply to buy time to permit the wound of a trial loss to heal. A vitriolic brief attacking the verdict and essentially make management or the investment community happy yet have substantially no chance on appeal. This is the “wishful thinking or of therapy from anger” mentioned by Chief Judge Michel who considers this “almost an implied message in the selection of a Rule 36 no opinion judgment[;]” or, it is Judge Clevenger's “really weak case”; or, it is what Judge Plager has deemed to “have no real merit.”

III.. ONGOING DEVIATIONS FROM THE PRACTICE

If one looks at the *overall* practice of the court including all areas of its jurisdiction and even in all areas of patent law, it is true that almost all cases where there is a nonprecedential disposition are in fact the garden variety

¹⁵ *The Sixteenth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 193 F.R.D. 263, 301 (remarks of Judge Plager)(“The hard fact of the matter is, and I think many of you know this, that some number of cases that come before us are meritless. They have no real merit on the side of the appellant, and they need to be disposed of accordingly. ... In the litigated cases, by which I mean the ones with lawyers on both sides, if the case has marginal or no merit, I personally favor Rule 36. I don't think we should occupy the court's time trying to explain to the lawyers what they already know, which is that the case had no merit anyway.”).

slam dunk case without merit on the part of appellant. Yet, it is the tough case that is ducked by an abuse of the rules that are the cause for concern. In some areas, the violations are far from trivial. See § III-A, *Significant Violations of the Rule 36 Practice*. Today, there is a rampant misuse of the nonprecedential practice in the area of claim construction which, alone, calls for an immediate reform. See § III-B, *Claim Construction Disharmony*.

A. Significant Violations of the Rule 36 Practice

...[T]here have been spectacular abuses of the nonprecedential disposition of appeals in various areas of the law outside claim construction.

1. Lemelson: A Precedential Opinion \$ 1.5 Billion Too Late

Professors Lemley and Moore explain that the 2002 *Symbol Technologies* case that held prosecution laches to be a viable doctrine followed three previous *nonprecedential* opportunities dating back to 1988 that reached the opposite conclusion.¹⁶ On remand, Chief Judge Pro held the Lemelson patents *invalid* for a garden variety list of classic grounds *and* held the patents to violate prosecution laches – but without articulation of any test for prosecution laches. On appeal in the 2005 case of first impression to *apply* prosecution laches, the court chose to ignore the garden

¹⁶ See Mark A. Lemley & Kimberly A. Moore, *Ending Abuse of Patent Continuations*, 84 B.U.L. Rev. 63, 92, n. 119 (2004) (“The Federal Circuit only recently endorsed the defense as a valid ground for challenging the enforceability of a patent. We call it a revived defense, however, because the Federal Circuit held that prosecution laches is a viable defense based on Supreme Court precedent nearly eighty years in age. *Symbol Techs., Inc. v. Lemelson Med. Ed. & Res. Found.*, 277 F.3d 1361, 1364-65 (Fed. Cir. 2002) (validating the defense). Of course, the Federal Circuit had itself indicated that there was no such defense in several non-precedential decisions. See *Ricoh Co. v. Nashua Corp.*, No. 97-1344, 1999 WL 88969, at * 3 (Fed. Cir. Feb. 18, 1999) (rejecting suggestion that continuation applications are subject to any judicially-imposed time restrictions); *Ford Motor Co. v. Lemelson*, No. MISC. 516, 1997 WL 547905, at *1 (Fed. Cir. Aug. 20, 1997) (refusing to grant Ford permission to appeal the district court's denial of summary judgment, which was based on the laches defense); *Bott v. Four Star Corp.*, No. 88-1117, 1988 WL 54107, at *1 (Fed. Cir. May, 26 1988) (refusing to recognize the defense). Unpublished, non-precedential decisions of the court are not binding authority on the Federal Circuit and, in fact, are not even to be cited to the court in briefs or during oral arguments. See Fed. Cir. R. 47.6(b).”)

variety grounds for invalidity that would have rendered the issue moot;¹⁷ instead, it chose to hold that the extreme delay in prosecution of a Woodbridge “patent”¹⁸ permitted a conclusion that Lemelson’s delay should qualify for prosecution laches. But, of course, the Woodbridge “patent” never existed and provides no basis for a *patent law* doctrine of laches.¹⁹

Had prosecution laches been established through a prFinally, after royalties on the order of \$ 1,500,000,000.00 had been collected for the Lemelson patent portfolio, the Lemelson patents were held to be unenforceable under a doctrine of prosecution laches which the court traces to a Woodbridge “patent” that had never in fact been basis for any patent.

¹⁷*Symbol Techs., Inc. v. Lemelson Med., Educ. & Research Found.*, __ F.3d __ (Fed. Cir. 2005)(Lourie, J.).

¹⁸*Woodbridge v. United States*, 263 U.S. 50 (1923).

¹⁹See *Overland Motor Co. v. Packard Motor Car Co.*, 274 U.S. 417, 427 (1927)(“[Woodbridge] was denied a patent for failure to comply with the [patent] statute. Subsequently he secured special legislation imposing the condition that he should be granted [compensation], provided the court should first be satisfied that he had not forfeited or abandoned his right to a patent by publication, delay, laches or otherwise. This court held that the delay...was laches and a breach of the condition upon which he might avail himself of the special congressional privilege granted him.”). As explained by Judge Coliani in *Moore v. United States*, 1977 WL 22793 (Ct. Cl. 1977), “*Woodbridge v. United States*...is ... a case which did not come to th[e] [Court of Claims] under our general patent jurisdiction, but rather, was referred to this court by a special Act of Congress, 31 Stat. 1788 (1901). It would under present-day terminology be called a congressional reference case. As is well known, a congressional reference case is one where a claimant is seeking redress by other than a purely legal remedy. Indeed, it is the lack of a legal remedy and the existence of equities and circumstances which create a moral obligation that is recognized as being beyond any legal obligation of the Government that is the hallmark of a typical congressional reference case.” *Moore v. United States*, 1977 WL 22793 (Ct. Cl. 1977)(Colaianni, J.). Thus, in a Congressional reference case, “it is customary for Congress to direct the Court of Claims in assessing the reference to determine if there are any factors that would detract from the claimant's position.” *Id.* One such special reference factor expressly built into the statute for Dr. Woodward is the caveat that as a condition precedent to granting relief to Woodward, the Court of Claims “shall first be satisfied that the said Woodbridge did not forfeit, or abandon, his right to a patent, by publication delay, laches, or otherwise[.]” *Id.* (quoting 31 Stat. 1788 (1901)). It was on the basis of failure to meet this caveat that relief to Woodward was denied: “On the facts, the court decided that there had been a breach of the condition upon which Woodbridge might avail himself of the special congressional privilege granted him.” *Id.*

Had *Bott v. Four Star* been a precedential opinion, industry and its stockholders would have been spared \$ 1,500,000,000.00 in unnecessary fees and industry would have had fifteen years of legal certainty that only came to the fore a generation later.

2. An *En Banc* Nonprecedential Split Opinion

On its face, an *en banc* ruling with a split vote amongst the *en banc* panel should *always* be precedential. Yet, in *Gavin v. Star Brite*, an *en banc* opinion was used to overrule three stubborn colleagues.²⁰ There had been a draft panel opinion repudiated by the *en banc* opinion.²¹ Four of the members of the *en banc* court refused to join the majority opinion, including the three on the original panel.²² Despite the fact that a majority of the court had voted to have the case heard *en banc* – by *definition* defining its importance – and despite the split vote of the *en banc* court, nevertheless the opinion was released as nonprecedential.

B. Claim Construction Disharmony

It is in the area of patent appeals from the trial courts, and particularly claim construction issues from the district courts, where there has been more than mild controversy. No area of law at the Federal Circuit has shown more turbulence and internal inconsistency than claim construction, which makes it natural that abuses of the practice of nonprecedential dispositions would be most acutely felt in this area. To gauge the magnitude of the problem for claim construction at a more macroscopic level, one need only look to the extremely large number of reversals of claim construction rulings at the Federal Circuit and, perhaps more importantly, the sharp intra-circuit conflicts that are manifested by a high level of 2-1 split rulings.

²⁰*Gavin v. Star Brite Corp.*, 865 F.2d 269 (Table), 1988 WL 136003 (Fed. Cir. 1988)(*en banc*)(nonprecedential)(Bissell, J.).

²¹ *Id.*, slip op. p. 1, n.* (“This appeal was argued before a panel consisting of MAYER, Circuit Judge, SKELTON and BALDWIN, Senior Circuit Judges.... In accordance with the request of members of the court, the appeal is resolved in banc.”)

²² Except for Judge Newman, who “concur[red] in result”, *id.*, all judges not on the panel joined the majority opinion while the three panel members either “concur[red] in result” (SKELTON, and BALDWIN, Senior Circuit Judges), *id.*, or “concur[red] in judgment”(MAYER, Circuit Judge.), *id.*

In contrast to a roughly ten (10) percent chance of a reversal on appeal in patent cases brought from the Board of Patent Appeals and Interferences where the Primary Examiner has been affirmed,²³ a current study shows that roughly fifty-five (55) percent of trial court decisions involving claim constructions contested on appeal involve a *de novo*, different interpretation by the Federal Circuit. Additionally, it would be patently incredible – at least in the area of claim construction – to claim that the nonprecedential decision route is used exclusively for cases without legal controversy or meritless appeals. The proof of the pudding is found in the significant number of split panel opinions on claim construction *which are released as nonprecedential*. In 2005, when claim construction has been highly contentious and all cases may shed light on the views of the court, there was a routine use of nonprecedential opinions including some dealing with controversial questions that split the court.²⁴ Indeed, in *Izumi v. Philips*, there was a *dissent*, clearly indicating controversy and the fact that the opinion was anything but routine.²⁵ Even more important as a sign of deviation from policy is the dissent in *Owen Mumford*.²⁶ A year earlier,

²³The study covers opinions during the period January 1, 2002 up through the September 1, 2005; it shows that the Board is affirmed *in toto* or in part in 92 % of the court's decisions, while there is a reversal *in toto* in 8 % of all cases, and an affirmance-in-part in 4 % of all cases.

²⁴The study excludes the final third of 2005.

²⁵*Izumi Products Co. v. Koninklijke Philips Electronics N.V.*, __ Fed.App. __, 2005 WL 1606952 (Fed. Cir. 2005)(Linn, J., dissenting-in-part)(“I must respectfully dissent from its conclusion regarding noninfringement.”).

²⁶*Owen Mumford*, 137 Fed.Appx. at 349 (Mayer, J., dissenting)(“Because the *structure* of Surgilance's One-Step reads onto the *structure* disclosed in the '249 patent, I would affirm the district court's judgment of infringement. Surgilance has merely taken the '249 device and cocked it halfway before importing it. Claim 1, however, is a means-plus-function claim, not a method claim. Thus, the relative position of the spring at the time of importation is irrelevant. Read properly, claim 1 does not require a relaxed spring; it only requires that when the spring is relaxed “the lance is in a first retracted position within the body.”). Additionally, dissenting member “do[es] not agree with the interpretation of a means-plus-function claim as requiring both corresponding structure and a particular state, such as cocked, on, loaded, or charged. If means-plus-function claims are interpreted in this manner, it would allow the foreign production and importation of items with identical structure, but altered states. For example, an

panel splits on claim construction are found in nonprecedential opinions in *Slip Track*,²⁷ *Utica*²⁸ and *Wasinger*.²⁹ Other decisions in patent cases with other issues since 2004 decided as nonprecedential yet with an open 2-1 split include *Lilly v. Teva*,³⁰ *Aptix v. Quickturn*,³¹ *Mattox v. Infotopia*,³² *Beasley*,³³ *Hockerson-Halberstadt v. JSP Footwear*,³⁴ *Weiss v. Reebok*³⁵ and *Schwarz Pharma v. Warner-Lambert*.³⁶

otherwise infringing retractable pen could be imported with the tip retracted. According to the court's reasoning, the pen would not function as described in the claims when the tip is retracted and would, therefore, not infringe.” *Owen Mumford*, 137 Fed.Appx. at 349-50.

²⁷*Slip Track Systems, Inc. v. Metal Lite, Inc.*, 113 Fed.Appx. 930 (Fed. Cir. 2004)(Newman, J., dissenting from opinion of Schall, J.).

²⁸*Utica Enterprises, Inc. v. Federal Broach and Machine Co.*, 109 Fed.Appx. 403 (Fed. Cir. 2004)(Mayer, J., dissenting without opinion from opinion of Lourie, J.).

²⁹*Wasinger v. Levi Strauss & Co.*, 106 Fed.Appx. 34, 38 (Fed. Cir. 2004)(Dyk, J., dissenting from opinion of Schall, J.)(“ Because I think that the applicants' statements in the prosecution history, coupled with those of the examiner, rise to the level of a clear disclaimer of a process including a subsequent oxidation step, I respectfully dissent.”).

³⁰*Eli Lilly and Co. v. Teva Pharmaceuticals USA, Inc.*, __ Fed.App.__, 2005 WL 1635262 (Fed. Cir. 2005)(Mayer, J., dissenting, without opinion).

³¹*Aptix Corp. v. Quickturn Design Systems, Inc.*, __ Fed.App.__, 2005 WL 1433137 (Fed.Cir. 2005)(Newman, J., dissenting).

³²*Mattox v. Infotopia, Inc.*, 136 Fed.Appx. 366 (Fed. Cir. 2005)(Mayer, J., dissenting, without opinion).

³³*In re Beasley*, 117 Fed.Appx. 739, 745 (Fed. Cir. 2004)(Dyk, J., dissenting)(“Under our decision in *Lee* the Board may not rely on common knowledge and common sense in rejecting a claim as obvious. *In re Lee*, 277 F.3d 1338, 1344-45 (Fed.Cir.2002). But both the examiner and the Board are presumed to be skilled in the art, *id.* at 1345, as the majority recognizes, *ante* at 743. They may properly rely on that knowledge in making rejections for obviousness, but ‘when they rely on what they assert to be general knowledge to negate patentability, that knowledge must be articulated and placed on the record.’ *Lee*, 277 F.3d at 1345.”).

³⁴*Hockerson-Halberstadt, Inc. v. JSP Footwear, Inc.*, 104 Fed.Appx. 721, 726 (Fed. Cir. 2004)(Michel, J., dissenting).

IV. THE CLAIM CONSTRUCTION PARADIGM

A. The New Wave of Empirical Studies

Empirical studies on patent statistics have been performed by Mark Lemley³⁷ and Kimberly Moore,³⁸ including collaborative efforts.³⁹ Lemley's work provides a cornerstone for the most comprehensive recent

³⁵*Weiss v. Reebok International, Ltd., Inc.*, 91 Fed.Appx. 683, 691 (Fed. Cir. 2004)(Newman, J., dissenting)(“I respectfully dissent, for the majority has strayed in its analysis of the record and thus in its result. The record well supports the district court, which correctly ruled that there was no version of the facts upon which Dr. Weiss could prevail. It does not serve the plaintiffs to remand for a trial that must be decided in favor of the defendants. The court's construction of the claims, which is sustained by the panel majority, leaves no room for infringement by the Reebok insert.”).

³⁶*Schwarz Pharma, Inc. v. Warner-Lambert Co.*, 95 Fed.Appx. 994, 999-1000 (Fed. Cir. 2004)(Lourie, J., dissenting)(“I respectfully dissent from the decision of the majority to vacate and remand. I would affirm. The district court did a thorough job of analyzing all the aspects of the claim construction of the term ‘carbonate’ and arrived at the correct conclusion. There was no ambiguity and it is clear to me from the record that bicarbonate was not part of the definition of carbonate.”).

³⁷E.g., Mark A. Lemley, *An Empirical Study of the Twenty-Year Patent Term*, 22 AIPLA Q.J. 369 (1994); Mark A. Lemley, *Rational Ignorance at the Patent Office*, 95 Northwestern U. L. Rev. 1495 (2001); John R. Allison & Mark A. Lemley, *Who's Patenting What? An Empirical Exploration of Patent Prosecution*, 53 Vand. L. Rev. 2099 (2000); Julie E. Cohen & Mark A. Lemley, *Patent Scope And Innovation In The Software Industry*, 89 Cal. L. Rev. 1 (2001); John R. Allison & Mark A. Lemley, *Empirical Evidence on the Validity of Litigated Patents*, 26 AIPLA Q.J. 175, 205-07 (1998); John R. Allison & Mark A. Lemley, *The Growing Complexity Of The United States Patent System*, 82 B.U. L. Rev. 77 (2002); Mark Lemley & Colleen Chien, *Are the U.S. Priority Rules Really Necessary?*, 2002 CASRIP High Technology Summit Conference (July 20, 2002).

³⁸Kimberly A. Moore, *Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation?*, 79 N.C. L. Rev. 889 (2001); Kimberly A. Moore, *Are District Court Judges Equipped to Resolve Patent Cases?*, 15 Harv. J. L. & Tech. 1 (2001); Kimberly A. Moore, *Judges, Juries, and Patent Cases – An Empirical Peek Inside the Black Box*, 99 MICH. L. REV. 365 (2000); Kimberly A. Moore, *Jury Demands: Who's Asking?*, 17 Berkeley Tech. L.J. 847 (2002).

³⁹Mark A. Lemley & Kimberly A. Moore, *Ending Abuse of Patent Continuations*, 84 B.U.L. Rev. 63 (2004).

critique of the patent system by Arti K. Rai,⁴⁰ and has also been considered by Robert P. Merges,⁴¹ Clarisa Long,⁴² Toshiko Takenaka⁴³ and others.⁴⁴ Lemley's protégé, Christian A. Chu, has made a significant contribution⁴⁵ that has found widespread acceptance in the academic field including citations from Professors Burk and Lemley,⁴⁶ Rai⁴⁷ and Moore.⁴⁸ Chu's

⁴⁰ Arti K. Rai, *Engaging Facts and Policy: A Multi-Institutional Approach to Patent System Reform*, 103 Colum. L. Rev. 1035 (2003). Professor Lemley's writings are cited throughout this paper, *id* at 1049 n. 56, 1063 n. 132, 1076 n. 185, 1080-84, 1080 n. 195, 1080 n. 197, 1080 n. 198, 1080 n. 199, 1081 n. 200, 1081 n. 201, 1081 n. 202, 1083 n. 213, 1083 n. 214, 1083 n. 215, 1084 n. 216, 1089 n. 239, 1090 n. 247, 1110-1111, 1111 n. 344.

⁴¹ Until Summer 2004, Professors Merges and Lemley were both leaders of the patent faculty at Boalt Hall.

⁴² Clarisa Long, *Patent Signals*, 69 U. Chi. L. Rev. 625, 626 n. 2 (2002) (citing Mark A. Lemley, *Rational Ignorance at the Patent Office*, 95 Northwestern U. L. Rev. 1495 (2001)).

⁴³ Toshiko Takenaka, *Rethinking the United States First-to-Invent Principle from a Comparative Law Perspective: A Proposal to Restructure § 102 Novelty and Priority Provisions*, 646, n. 142 (2002) (citing Mark Lemley & Colleen Chien, *Are the U.S. Priority Rules Really Necessary?*, 2002 CASRIP High Technology Summit Conference (July 20, 2002)).

⁴⁴ E.g. Thomas F. Cotter, *Antitrust Implications Of Patent Settlements Involving Reverse Payments: Defending a Rebuttable Presumption of Illegality in light of Some Recent Scholarship*, *Antitrust L.J.* 1069, 1078 n. 26 (2004) (citing John R. Allison & Mark A. Lemley, *Empirical Evidence on the Validity of Litigated Patents*, 26 *AIPLA Q.J.* 175, 205-07 (1998); Mark Alan Thurmon, *The Rise And Fall Of Trademark Law's Functionality Doctrine*, 56 *Fla. L. Rev.* 243, 325 n. 388 (2004) (citing Mark A. Lemley, *Rational Ignorance at the Patent Office*, 95 *Northwestern U. L. Rev.* 1495 (2001)).

⁴⁵ Christian A. Chu, *Empirical Analysis of the Federal Circuit's Claim Construction Trends*, 16 *Berkeley Tech. L.J.* 1075 (2001).

⁴⁶ Dan L. Burk & Mark A. Lemley, *Policy Levers In Patent Law*, 89 *Va. L. Rev.* 1575, 1671 n. 362 (2003).

⁴⁷ E.g., Rai, *Engaging Facts* ***, citing Chu at 1058 n. 102, 1059 n. 106, 1060, 1061, 1061 n. 114, 1097, 1099 n. 281.

⁴⁸ Mark A. Lemley & Kimberly A. Moore, *Ending Abuse of Patent Continuations*, 84 *B.U.L. Rev.* 63, 66 n.5 (2004).

work in particular has been noted by Professors Lemley and Moore in a recent paper and contrasted with Moore's results on overlapping studies.⁴⁹

Already, there is a sufficient body of empirical research to permit comparison amongst the experts, and to challenge apparent discrepancies, manifested by a 44 % claim construction reversal rate found by Chu versus a 33 % rate found by Professor Moore.⁵⁰

⁴⁹*Id.* (“Christian A. Chu, *Empirical Analysis of the Federal Circuit's Claim Construction Trends*, 16 Berkeley Tech. L.J. 1075, 1090 (2001) (finding that the Federal Circuit overturned district court claim constructions in between 30% and 39% of the cases); Kimberly A. Moore, *Are District Court Judges Equipped to Resolve Patent Cases?*, 15 Harv. J.L. & Tech. 1 (2001) (demonstrating that the Federal Circuit overturned district court claim constructions in 33% of the cases). The difference between the Moore and Chu statistic on claim construction reversal is due to the fact that Moore classed all Rule 36 summary affirmances as rulings on claim construction, while Chu considered only a certain percentage of Rule 36 affirmances to be related to claim construction.”).

⁵⁰ Arti K. Rai, *Engaging Facts and Policy: A Multi-Institutional Approach to Patent System Reform*, 103 Colum. L. Rev. 1035, 1058 n. 102 (2003) (“See Christian A. Chu, *Empirical Analysis of the Federal Circuit's Claim Construction Trends*, 16 Berkeley Tech. L.J. 1075, 1104 (2001) (stating that Federal Circuit modified claim construction in forty-four percent of cases); Kimberly A. Moore, *Are District Court Judges Equipped to Resolve Patent Cases?*, 15 Harv. J.L. & Tech. 1, 11 (2001) (giving figure of thirty-three percent). The discrepancy between the Moore and Chu findings may be a consequence of their having studied different time periods. While Moore's study encompasses cases decided between April 1996 and December 2000, Moore, *supra*, at 9, Chu's study encompasses cases decided between January 1998 and April 2000, Chu, *supra*, at 1092. As Moore notes, the Federal Circuit's reversal of lower court claim constructions increased after the 1998 decision in *Cybor*, which explicitly held that claim construction was to be reviewed *de novo*. Moore, *supra*, at 29. In addition, when Chu includes within his population Rule 36 summary affirmances (as does Moore in her study), he estimates that the Federal Circuit changed the lower court's claim construction in an average of thirty-five percent of cases. Chu, *supra*, at 1146.”).

B. Controversies over the Role of Summary Affirmance Orders

Recently, there has been an increased focus upon the *differences* in the reversal rate at the Federal Circuit in claim construction cases which is keyed to how the sample of cases is drawn – and the analysis of the cases.

While the discussion is of merit on its own, it also ties into the black hole of nonprecedential disposition of appeals. Thus, a Federal Circuit “reversal rate” is meaningless apart from the selection of *type* of cases that one may choose. On the one hand, if one considers the negotiated settlements and other reasons for dismissals, the reversal rate over the past two years is just over ten (10) percent.⁵¹ At the other end of the spectrum, a clear majority of recent Federal Circuit opinions that make a claim construction determination find at least one erroneous trial court determination in fifty-five (55) percent of all cases.⁵²

⁵¹According to statistics released by the Federal Circuit on its website, <http://fedcir.gov>, the reversal rate for the fiscal years ending September 30, 2003 and 2004 for appeals from District Courts was 11 and 13 percent, respectively.

The statistics are only very approximate insofar as *patent* cases are concerned, because the Federal Circuit does not break down the types of cases included within its statistics for appeals from District Courts. Over the *previous* six year period, the reversal rate was over twenty percent. The following tabulation is based upon data from the Federal Circuit website.

Appeals from District Courts			
Terminations by – Judge	Other	Percent reversed	Year ending – Sept. 30
410	112	13	2004
394	115	11	2003
326	98	23	2002
386	89	23	2001
318	105	16	2000
312	87	21	1999
300	88	19	1998
308	89	27	1997

⁵²The statistics are based upon the writer’s own analysis of *every* Federal Circuit opinion – precedential or non-precedential – for the period from January 1, 2005, up through August 24, 2005. The study was based upon the writer’s review of *every* Federal Circuit opinion that mentions “claim construction” during the relevant period on the

The latter figure is significantly higher than the rate reported by Professors Burk and Lemley, who note that “the Federal Circuit reverses roughly a third of the claim constructions presented to it on appeal, a far larger percentage than its general reversal rate.”⁵³ A specialist in empirical patent studies, Kimberly A. Moore, has criticized Christian A. Chu,⁵⁴ Gretchen Ann Bender⁵⁵ and Andrew T. Zidel⁵⁶ for high claim construction reversal rates because they “omitted Rule 36 [affirmances] from their claim construction reversal rate determinations.”⁵⁷ She cites Judge Rader’s

CTAF database of Westlaw. Erroneous claim constructions were counted for this survey both for infringement issues as well as for determination of the scope of a claim for purposes of anticipation under 35 USC § 102 and obviousness under 35 USC § 103. Rule 36 affirmances were not counted.

⁵³ Dan L. Burk & Mark A. Lemley, *Quantum Patent Mechanics*, 9 Lewis & Clark L. Rev. 29, 53 (2005)(footnote omitted). The omitted footnote states that “[t]he definitive study is Kimberly A. Moore, *Are District Court Judges Equipped to Resolve Patent Cases?*, 15 Harv. J.L. & Tech. 1, 2 (2001) (finding that the Federal Circuit reverses district court claim constructions 33% of the time). Moore updated her study in a paper in this symposium, and showed that the problem is getting worse, not better. Kimberly A. Moore, *Markman Eight Years Later: Is Claim Construction More Predictable?*, 9 Lewis & Clark L. Rev. 231 (2005); see also Christian A. Chu, *Empirical Analysis of the Federal Circuit's Claim Construction Trends*, 16 Berkeley Tech. L.J. 1075, 1090 (2001) (finding a reversal rate between 30% and 38%, depending on the assumptions used, and noting that the rate was increasing).” *Id.* at n.131.

⁵⁴ Moore, *Markman Eight Years Later...*, 9 Lewis & Clark L. Rev. at 235 n.15, citing Christian A. Chu, *Empirical Analysis of the Federal Circuit's Claim Construction Trends*, 16 Berkeley Tech. L.J. 1075, 1104 (2001), as “finding that the Federal Circuit overturned 44% of the 179 district court claim constructions that were appealed between January 1, 1998 and April 30, 2000”.

⁵⁵ Moore, *Markman Eight Years Later...*, 9 Lewis & Clark L. Rev. at 235 n.16, citing Gretchen Ann Bender, *Uncertainty and Unpredictability in Patent Litigation: The Time is Ripe for a Consistent Claim Construction Methodology*, 8 J. Intell. Prop. L. 175, 207 (2001), as “finding that the Federal Circuit reversed 40% of the 160 claim constructions appealed in from *Markman* through 2000”.

⁵⁶ Moore, *Markman Eight Years Later...*, 9 Lewis & Clark L. Rev. at 235 n.17, citing Andrew T. Zidel, *Patent Claim Construction in the Trial Courts: A Study Showing the Need for Clear Guidance from the Federal Circuit*, 33 Seton Hall L. Rev. 711, 741-42 (2003), as “finding that the Federal Circuit reversed 39 of the 94 claim construction decisions in 2001”.

statement of a “reversal rate[] hovering near 50 %”⁵⁸ as an “empirical sleight of hand[.]”⁵⁹

Yet, even if one reads the briefs before the Federal Circuit, it is impossible to determine *which* issue was outcome determinative for the appellate tribunal for all the cases save the rare, single issue appeal.⁶⁰ A case that includes claim construction issues may in the end turn upon whether there is substantial evidence to support a trial court ruling that renders the claim construction issue moot.⁶¹

No study by *any* serious scholar covering hundreds of Rule 36 rulings has attempted to judge whether an affirmance was based upon an agreement with a trial court claim construction determination or whether an affirmance

⁵⁷Moore, *Markman Eight Years Later...*, 9 Lewis & Clark L. Rev. at 235-36.

⁵⁸*Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1473 (Fed. Cir. 1998)(en banc)(Rader, J., concurring).

⁵⁹Moore, *Markman Eight Years Later...*, 9 Lewis & Clark L. Rev. at 237.

⁶⁰ Cf. Moore, *Markman Eight Years Later...*, 9 Lewis & Clark L. Rev. at 236 (“Since [] summary affirmances [under Federal Circuit Rule 36] simply indicate that the case was affirmed, there is no easy way of determining what issues were involved in the appeal. The information cannot be obtained from a quick search on Westlaw or Lexis, but instead requires resort to the briefs filed with the Federal Circuit. Unless one obtains the original appellate briefs that were filed, and painstakingly reviews each one, one cannot determine whether a summary affirmance is an affirmance of a district court claim construction or an affirmance of some other unrelated issue. Obtaining the actual briefs is both time consuming and expensive. This study did just that; it reviewed every Rule 36 summary affirmance during the period of interest to ascertain whether the appeal involved claim construction. If so, it was included.”). But, a review of the briefs only allows a guess, at best, as to *which* grounds of the trial court were persuasive.

⁶¹Judge Archer notes that Rule 36 cases deal with whether there was substantial evidence to support factual determinations, as opposed to legal issues (such as claim construction). *The Fourteenth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 170 F.R.D. 534, 538 (1996)(remarks of Judge Archer)(“Unfortunately, there are some cases appealed to the Court, even some large cases, which just should not have been appealed. They are entirely factual with substantial evidence to support the verdict or decision or the law is clearly against the appellant. In these cases, the panel may decide that a written opinion would add little and that a Rule 36 is the appropriate disposition.”).

was based upon some other issue.⁶² Indeed, where there are multiple issues on appeal, it is impossible to precisely determine whether the Court agreed with the trial judge or whether the issue was considered moot in view of some other issue in the case.

V. A TRANSPARENT APPELLATE PROCESS

The Federal Circuit should be both in name and in fact the *United States* Court of Appeals for the Federal Circuit – and not a private *in camera* court of dispute resolution for the parties. The public should have full and real access to the complete appellate process.

Yet, the Federal Circuit has a *de facto in camera* appeal proceeding for the vast majority of all patent appeals, even though the outcome of the appeals may impact the law on the patent community at large. Indeed, a *precedential* opinion is primarily for the benefit of the public while the *holding* favoring either party is the justice to which the litigants are entitled.

As an extreme contrast, one viewing the Supreme Court finds the most open availability of information about every case on a free docket sheet on the court's website. When *certiorari* is granted, the question presented to the Court is available through the Court's website as a pdf file. It is the *norm* that the public pays attention to the case throughout the appellate

⁶²Indeed, the only serious scholar to read the briefs leading up to a Rule 36 affirmance for a large number of cases did so only to identify the number of Federal Circuit Rule 36 affirmances where there had been at least one claim construction issue in contention. No attempt was made to identify the likelihood that the Federal Circuit agreed with the claim construction of the trial court. As Prof. Moore explains, "I conducted a search on Westlaw using the terms: patent & claim /s interp! or constru! The search retrieved 515 cases. Each one was examined to determine whether the district court judge's claim construction was being appealed to the Federal Circuit. I also collected the data on all Rule 36 summary affirmances that occurred during this same time period in order to ascertain whether the issue affirmed was claim construction. Pursuant to Rule 36 of the Federal Circuit Rules of Procedure, the court can summarily affirm without opinion a district court judgment. There were 161 Rule 36 affirmances during the time period of this study. After obtaining the appeal briefs in every one of these cases, I discovered that seventy-eight cases did appeal district court claim constructions. After eliminating cases that did not address claim construction, this database contained 323 cases." Kimberly A. Moore, *Are District Court Judges Equipped To Resolve Patent Cases?*, 12 Fed. Circuit B.J. 1, 7 n.36 (2002).

process; often, there are multiple briefs of *amici curiae* that ensure that all aspects of the public have their viewpoints represented.

A. Lack of Effective Public Access to Opinions Below

In contrast to the Supreme Court sits the Federal Circuit, where knowledge of the *existence* of an appeal is difficult to determine.

1. Appeals from the District Court

Today, very few of the opinions or orders of a trial court are published in the *Federal Supplement*; a recent sample showed only a five percent publication in the *Federal Supplement*.⁶³ Roughly a third included at least one electronically available opinion.⁶⁴

2. Appeals from the PTO

The situation is far more extreme in appeals from the Board of Patent Appeals and Interferences where *all* cases reaching the Federal Circuit are from a decision of the Board yet *virtually none* of the decisions of the Board are released by the Patent and Trademark Office for publication on its own website or elsewhere. The PTO has the ability to put essentially all of its Board opinions on line, immediately.⁶⁵ If the PTO did not want to

⁶³Cases involving a claim construction below were selected because there should be at least one opinion from the court for such a case. (Of course, appeals from jury verdicts may not include a final opinion.). An electronic search was conducted on September 25, 2005, on Westlaw on the CTAF database for the search [markman and "claim construction" and date(2005)]. A sample of the most recent twenty cases was used for this search dating backwards from the September 21, 2005, opinion, *Cytologix Corp. v. Ventana Medical Systems, Inc.*, ___ F.3d ___, 2005 WL 2293079 (Fed. Cir. 2005). Each was analyzed by checking the data on the Westlaw entry for related cases. Only one was published in the *Federal Supplement* (5 %).

⁶⁴In the same study, a total of seven (or 35 %) included at least one publication on *Westlaw*.

⁶⁵The great bulk of all Board decisions today come from application files where there is no trade secret information contained in the opinion, i.e., the application has *already* been published 18 months from its effective filing date. (To accommodate the small minority of cases where there *is* trade secret information contained in the files, a regulation should state that (a) secrecy is waived unless there is a request for secrecy filed not later than the filing of the Appeal Brief; *and* (b) in cases where such secrecy is

immediately put all of its thousands of Board decisions immediately on line, it could do so for the cases that are appealed to the Federal Circuit in a very simple manner.⁶⁶

The matter of appeals to the court from the PTO is a black hole where little is understood by the general patent bar about the process. There is an incredibly poor chance of success for any appellant taking this route. The court provides a reversal rate of three (3) percent for appeals from the PTO for the past year,⁶⁷ while the writer's own study of final decisions on appeal from affirmances of patent examiners show a reversal rate of roughly ten (10) percent.⁶⁸

sought, the party seeking to maintain secrecy provides the PTO with a trade secrets-sanitized redacted version within sixty days of the Board's opinion.)

⁶⁶One solution would be for the PTO to introduce a rule that any appellant who files a Notice of Appeal under 35 USC § 142 must also concurrently file a pdf copy of the decision of the Board of Patent Appeals and Interferences appealed from. *See* 35 USC § 142. ("When an appeal is taken to the United States Court of Appeals for the Federal Circuit, the appellant shall file in the Patent and Trademark Office a written notice of appeal directed to the Director...") This could then be placed on the PTO website with *de minimis* effort and which would let all members of the public instantly search for appeals of interest.

⁶⁷Federal Circuit Appeals from the Patent and Trademark Office:

Year ending	Reversals	Pending
Sept. 30:	%	(as of 9/30)
2004	3	56
2003	7	47
2002	20	52
2001	12	45
2000	17	69
1999	17	36
1998	23	47

Statistics are for appeals filed, terminated and pending according to the Federal Circuit Website, which includes trademark as well as patent cases; patent interference cases; and dismissals on motion, etc.

⁶⁸For appeals since 2002, there are roughly eight percent reversals *in toto* and twelve percent reversals in part. Thus, statistics for 2002-2005 (through August 13, 2005) show *reversals* in the following cases: *In re Glaug*, 283 F.3d 1335 (Fed.Cir. 2002)(Newman, J.)(rev'd); *In re Sang Su Lee*, 277 F.3d 1338 (Fed.Cir. 2002)(Newman, J.)(vacated and remanded); *In re Doyle*, 293 F.3d 1355 (Fed.Cir. 2002)(Clevenger, J.)(rev'd); *In re Kollar*, 286 F.3d 1326 (Fed.Cir. 2002)(Lourie, J.)(vacated and

remanded); *In re Beasley*, 117 Fed.Appx. 739 (Fed.Cir. 2004)(Lourie, J.)(non-precedential opinion vacated Board opinion for remand; Dyk, J., dissenting with opinion would have affirmed without remand); *In re Simpson*, 63 Fed.Appx. 466 (Fed.Cir. 2003)(Lourie, J.)(non-precedential opinion rev'g PTO). *Affirmances in toto* are found in *In re Battiston*, __ Fed.Appx. __, 2005 WL 1654876, (Fed.Cir. 2005)(Prost, J.)(non-precedential aff'd); *In re Holcman*, __ Fed.Appx. __, 2005 WL 1433142 (Fed.Cir. 2005)(per curiam)(Rule 36 aff'd); *In re Harris*, 409 F.3d 1339 (Fed. Cir. 2005)(Rader, J.)(aff'd); *In re Holcomb*, __ Fed.Appx. __, 2005 WL 954527 (Fed.Cir. 2005)(per curiam)(Rule 36 aff'd); *In re Kretchman*, 125 Fed.Appx. 1012 (No. 04-1448)(Fed.Cir. 2005)(per curiam)(Rule 36 aff'd); *In re Kretchman*, 125 Fed.Appx. 1012 (No. 04-1449)(Fed.Cir. 2005)(per curiam)(Rule 36 aff'd); *In re Fujimura*, 2005 WL 742893 (Fed.Cir. 2005)(Bryson, J.)(aff'd with non-precedential opinion); *In re Hickman*, 123 Fed.Appx. 403(Fed.Cir. 2005)(per curiam)(Rule 36 aff'd); *In re Neeley*, 122 Fed.Appx. 497 (Fed.Cir. 2005)(per curiam)(Rule 36 aff'd); *In re Mayaud*, 120 Fed.Appx. 364 (Fed.Cir. 2005)(per curiam)(Rule 36 aff'd); *In re Crish*, 393 F.3d 1253 (Fed.Cir. 2004)(Lourie, J.)(aff'd); *In re Dash*, 118 Fed.Appx. 488 (Fed.Cir. 2004)(Prost, J.)(aff'd with non-precedential opinion); *In re Fulton*, 391 F.3d 1195 (Fed.Cir. 2004)(Michel, J.)(aff'd); *In re Ditzik*, 112 Fed.Appx. 59 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Langford*, 111 Fed.Appx. 610 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Bigio*, 381 F.3d 1320 (Fed.Cir. 2004)(Rader, J.)(aff'd)(Newman, J., dissenting); *In re Klopfenstein*, 380 F.3d 1345 (Fed.Cir. 2004)(Prost, J.)(aff'd); *In re Wallach*, 378 F.3d 1330 (Fed.Cir. 2004)(Lourie, J.)(aff'd); *In re Ajeska*, 101 Fed.Appx. 346 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Simpson*, 102 Fed.Appx. 675(Fed.Cir. 2004)(Prost, J.)(aff'd with non-precedential opinion); *In re Johnston*, 97 Fed.Appx. 335 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Elsner*, 381 F.3d 1125 (Fed.Cir. 2004)(Lourie, J.)(aff'd); *In re Zary*, 381 F.3d 1125 (Fed.Cir. 2004)(Lourie, J.)(aff'd); *In re American Academy Of Science Tech Center*, 367 F.3d 1359 (Fed.Cir. 2004)(Bryson, J.)(reexamination appeal aff'd); *In re Ngai*, 367 F.3d 1336 (Fed.Cir. 2004)(per curiam)(aff'd); *In re Peters*, 95 Fed.Appx. 359 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Nysten*, 97 Fed.Appx. 293 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Nysten*, 97 Fed.Appx. 293 (Fed.Cir. 2004)(Linn, J.)(aff'd); *In re Strahilevitz*, 87 Fed.Appx. 184 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Morgan*, 87 Fed.Appx. 746 (Fed. Cir. 2004)(Gajarsa, J.)(reexamination aff'd with non-precedential opinion); *In re Watts*, 354 F.3d 1362 (Fed.Cir. 2004)(Dyk, J.)(aff'd); *In re Kejha*, 85 Fed.Appx. 219 (Fed.Cir. 2004)(per curiam)(Rule 36 aff'd); *In re Curtis*, 354 F.3d 1347 (Fed.Cir. 2004)(Clevenger, J.)(aff'd); *In re Wong*, 80 Fed.Appx. 107 (Fed.Cir. 2003)(per curiam)(aff'd with non-precedential opinion); *In re Dunphy*, 78 Fed.Appx. 716 (Fed.Cir. 2003)(per curiam)(Rule 36 aff'd); *In re Resonance Technology, Inc.*, 78 Fed.Appx. 712 (Fed.Cir. 2003)(per curiam)(Rule 36 aff'd)(reexamination); *In re Sugawara*, 78 Fed.Appx. 120 (Fed.Cir. 2003)(per curiam)(Rule 36 aff'd); *In re Gately*, 69 Fed.Appx. 993 (Fed.Cir. 2003)(Friedman, J.)(aff'd with non-precedential opinion); *In re O'Brien*, 67 Fed.Appx. 615 (Fed.Cir. 2003)(per curiam)(Rule 36 aff'd); *In re Watts*, 67 Fed.Appx. 615 (Fed.Cir. 2003)(per curiam)(Rule 36 aff'd); *In re Forsline*, 62 Fed.Appx. 963 (Fed.Cir. 2003)(per curiam)(Rule 36 aff'd); *In re Najarian*, 61 Fed.Appx. 704 (Fed.Cir. 2003)(per curiam)(Rule 36 aff'd); *In re Livak*, 57 Fed.Appx. 871 (Fed.Cir. 2003)(per

B. *In Camera* Justice: The Capon Caper

Nothing better illustrates the *de facto* secrecy of the appellate process of the court than the *Capon* case.⁶⁹ *Capon* manifestats the secrecy that shrouds the creation of case law at the Federal Circuit for all but the miniscule number of cases where a party itself shares information about the case to the patent bar. Virtually none of the appeals which reach the Federal Circuit via the route of an *ex parte* appeal from an Examiner are above the radar screen of the patent bar and the academic community. The PTO itself suppresses information about the *ex parte* appeals decisions through the inaction of the Board of Patent Appeals and Interferences that makes virtually every opinion non-precedential and releases opinions at a late date without indication of appellate status to the court.

curiam)(Rule 36 aff'd); *In re Berg*, 320 F.3d 1310 (Fed.Cir. 2003)(Bryson, J.)(aff'd); *In re Peterson*, 315 F.3d 1325 (Fed.Cir. 2003)(Lourie, J.)(aff'd); *In re Bass*, 314 F.3d 575 (Fed.Cir. 2002)(Mayer, C.J.)(aff'd)(reexamination); *In re Lochner*, 52 Fed.Appx. 513(Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Swartz*, 50 Fed.Appx. 422 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Rossi*, 49 Fed.Appx. 926 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Reeves*, 49 Fed.Appx. 927 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Jolley*, 308 F.3d 1317(Fed.Cir. 2002)(Clevenger, J.)(aff'd from losing interference party's appeal); *In re Huston*, 308 F.3d 1267 (Fed.Cir. 2002)(Dyk, J.)(aff'd; Prost, J., dissenting in part); *In re Sauber*, 48 Fed.Appx. 334 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Bogese*, 303 F.3d 1362 (Fed.Cir. 2002)(Dyk, J.)(aff'd; Newman, J., dissenting); *In re Perlman*, 44 Fed.Appx. 522 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Kierspe*, 36 Fed.Appx. 649 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Conte*, 36 Fed.Appx. 446 (Fed.Cir. 2002)(Lourie, J.)(aff'd in non-precedential opinion); *In re Poplawski*, 35 Fed.Appx. 911 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Sastry*, 285 F.3d 1378 (Fed.Cir. 2002)(Bryson, J.)(aff'd); *In re Muresan*, 33 Fed.Appx. 521 (Fed.Cir. 2002)(Dyk, J.)(aff'd in non-precedential opinion); *In re Kim*, 30 Fed.Appx. 993 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Goddard*, 30 Fed.Appx. 983 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd); *In re Constant*, 30 Fed.Appx. 981 (Fed.Cir. 2002)(per curiam)(aff'd in non-precedential opinion); *In re Salandro*, 30 Fed.Appx. 947 (Fed.Cir. 2002)(Michssel, J.)(aff'd in non-precedential opinion); *In re Berger*, 279 F.3d 975 (Fed.Cir. 2002)(Linn, J., aff'd); *In re Faisandier*, 26 Fed.Appx. 956 (Fed.Cir. 2002)(per curiam)(Rule 36 aff'd). Note: *Elsner* and *Zary* technically could be counted as remands. *Affirmances in part and reversals in part* are shown in *In re McDaniel*, 293 F.3d 1379 (Fed.Cir. 2002)(Linn, J.) (affirmed in part, vacated in part and remanded)(Mayer, C.J., dissenting in part); *In re Lam*, 35 Fed.Appx. 889 (Fed.Cir. 2002)(Clevenger, J.)(aff'd in part and rev'd in part in non-precedential opinion); *In re Thrift*, 298 F.3d 1357 (Fed.Cir. 2002)(Dyk, J.)(aff'd in part, vacated and remanded in part).

⁶⁹*Capon v. Eshhar v. Dudas*, 418 F.3d 1349 (Fed. Cir. 2005)(Newman, J.).

On July 2, 2004, the Federal Circuit issued a flurry of opinions concurring with or dissenting from the denial of *en banc* reconsideration in the *Rochester v. Searle* case,⁷⁰ an extension of the notorious *Enzo* case.⁷¹ What was left unsaid in the several opinions in *Rochester* was any hint or suggestion of the pendency of *Capon*, yet another test case that had *already been argued*.

Capon was only decided some fifteen-plus months after the oral argument and more than one full year after the *Rochester v. Searle* controversy.

The *Capon* case is yet the most recent example of an *in camera* evolution of case law at both the PTO and on appeal at the Federal Circuit. By the time of the *Capon* opinion, there were fully 123 entries on the Westlaw database for intellectual property studies.⁷² Yet, the *Capon* controversy was nowhere reported.⁷³ Without benefit of debate from the public, a panel of the court in *Capon* perpetuated the unique line of case law of the *Enzo* case.⁷⁴

⁷⁰*University of Rochester v. G.D. Searle & Co., Inc.*, 375 F.3d 1303 (Fed. Cir. 2004)(*en banc*), *den. reh'g from panel opinion*, 358 F.3d 916 (Fed. Cir. 2004)(Lourie, J.).

⁷¹*Enzo Biochem, Inc. v. Gen-Probe, Inc.*, 296 F.3d 1316 (Fed. Cir. 2002).

⁷²A Westlaw search on the intellectual property articles database IP-TP for the *Rochester* case showed 123 entries.

⁷³A Westlaw search conducted for [CAPON /S ESHHAR] for all newspapers, all intellectual property journals and newsletters, all decisions from the Board of Patent Appeals and Interferences, all showed *nothing* as of the date of the court's decision. A search on google.com for [CAPON ESHHAR PATENT] also showed *nothing*.

⁷⁴*Capon*, ___ F.3d at ___ (citing *Enzo*, 296 F.3d at 1330)(“The ‘written description’ requirement [of 35 USC § 112, ¶ 1,] implements the principle that a patent must describe the technology that is sought to be patented; the requirement serves both to satisfy the inventor's obligation to disclose the technologic knowledge upon which the patent is based, and to demonstrate that the patentee was in possession of the invention that is claimed.”). Cf. Harold C. Wegner, *An Enzo White Paper: A New Judicial Standard for a Biotechnology "Written Description" Under 35 U.S.C. § 112, ¶ 1*, 1 J. MARSHALL REV. INTELL. PROP. L. 254 (2002); Harold C. Wegner, *The Disclosure*

VI. NONPRECEDENTIAL DISPOSITION REFORM

While there has been a black and white debate about whether precedential opinions should be the only means for disposition, there are immediate reforms that can be used to fine tune the system today that would possibly lesson the number of cases that go to hearing and also make the process more transparent. See § A, *Near Term Reforms of Local Rule 36*. In the end, precedential opinions as the norm may be expected for *all* circuit courts of appeal. Reforms to simplify the precedential opinion process are suggested. See § B, *Toward a Simplified, Precedential Practice*.

A. Near Term Reforms of Local Rule 36

1. Nominating Culprits: Naming Names

A careful evaluation of Rule 36 appeals is in order that, if the premise of the court is verified, suggests improvements in the court's rules that would help end the needless waste of court resources for what are deemed by the court, in essence, to be frivolous appeals. Among other reforms, the names of the counsel who appear on the briefs should be listed on the Rule 36 affirmance order: While the Chief Judge says that his delivery of a Rule 36 delivers an "implied message" that the court in essence says that the appeal may be frivolous, the question is: To whom is the message delivered? The message *should* be delivered to the consumers of patent legal services – the house counsel who select appellate counsel. Counsel selection often includes an electronic search of candidate law firms to see their track record.⁷⁵

Far worse from a public policy standpoint is the fact that the investment community that has been spun by the initial press releases of a "vigorous appeal", sometimes including vitriolic arguments that play well on

Requirements of the 1952 Patent Act: Looking Back and a New Statute for the Next Fifty Years, 37 Akron L. Rev. 243 (2004).

⁷⁵For example, one can search the name of a firm on the Westlaw CTAF database and almost instantly receive a listing that includes every *precedential* decision of the Federal Circuit. The search can be refined to the name of an attorney or even further refined to the type of case handled by that attorney.

Wall Street but if anything push the appeal into the Rule 36 dumpster. Here, the Rule 36 treatment softens the blow against the parties who are misusing the appellate process.

Finally, there is the increased workload on the court that is created where Rule 36 permits the eventual losing party to hide behind the anonymity of this regulation. Clearly, there is a not insignificant number of cases where trial counsel has plunged into rebriefing his case on appeal without regard to the standards of review. Obviously, such a *de novo* approach to factual issues is doomed to failure. Yet, when a second opinion is received that the case is meritless, the fact that the case will likely be lost under Rule 36 means that there is no pain to the eventual loser: The loss will be anonymous.

2. Publication of the Opinion Below

The court should take advantage of the e-commerce era.⁷⁶ All decisions of the trial courts that are appealed to the Federal Circuit should be put on line.⁷⁷

B. Reforms Mandated by the Judicial Center

1. Mandate of the Judicial Center

A proposal approved at the September 2005 session of the Judicial Conference is expected to establish a proscription against the bar to citation of nonprecedential opinions under a new FRAP Rule 32.1(a): “A court [of appeals, including the Federal Circuit,] may not prohibit or restrict the citation of judicial opinions... that have been designated as ... ‘non-

⁷⁶While the court has done an excellent job in creating a first class facility on Madison Place, it has done so without matching the electronic access of, for example, the Seventh and Ninth Circuits which have, for example, streaming audio of their arguments and other electronic conveniences.

⁷⁷A simple rule could be created that would require the filing of a pdf copy of the trial court’s opinion concurrently with the filing of a Notice of Appeal. For appeals from jury verdicts where there is no formal opinion that would inform the issues, the filing of some other document could be required that would summarize the proceedings below and the issues on appeal.

precedential’...’⁷⁸ Following the expected approval of this new rule by the Supreme Court⁷⁹ and review by Congress,⁸⁰ as from January 1, 2007, the non-precedential opinion will be abolished for all courts of appeal.⁸¹

Through their then-Chief Judge, the Federal Circuit has expressed its “unanimous opposition” to the proposed rule.⁸² The court considers that the imposition of the new rule would “skew[] the allocation of judicial resources, delay[] issuance of precedential opinions, increase[e] the issuance of judgments without an accompanying opinion, and harm[] litigants.”⁸³ One member of the Federal Circuit has said that if nonprecedential opinions are abolished, he “would push for summary dispositions.”⁸⁴

⁷⁸ Reagan *et al.*, *supra* note 1, p. 1 n.1 (quoting Federal Rules of Appellate Procedure, Rule 32.1(a), *Citing Judicial Dispositions, Citation Permitted*) (“A court may not prohibit or restrict the citation of judicial opinions, orders, judgments, or other written dispositions that have been designated as ‘unpublished’, ‘not for publication’, ‘non-precedential’, ‘not precedential’, or the like.”).

⁷⁹It is expected that the Supreme Court will approve the new rule. Chief Justice-designate John Roberts, as a member of the D.C. Circuit, was one of the supporters of the proposed FRAP Rule 32.1(a). The D.C. Circuit had previously had a non-citation policy that was changed effective in 2002. Reagan *et al.*, *supra* note 1, at 164. The change in the rule was made prospectively. *Id.* at 164 n.72 (quoting .C. Cir. L.R. 28(c)(1)) (“All unpublished orders...entered on or after June 1, 2002, may be cited as precedent”).

⁸⁰Congressional review is passive: The rule change is approved *unless* Congress takes an affirmative action to veto the change.

⁸¹The change is not at all focused solely upon the Federal Circuit, which is one of the four “restrictive” circuits which proscribe publication (along with the Second, Seventh and Ninth Circuits). Reagan *et al.*, *supra* note 1, at p. 1. Only the D.C., Third and Fifth Circuits are “permissive” – freely admitting the citation of nonprecedential opinions. *Id.* The remaining six circuits are “discouraging” courts that permit citation only where there is no precedential case on point. *Id.*

⁸²See *Proposed Changes...*, *supra* note 8, p. 1.

⁸³*Id.*

⁸⁴ Reagan *et al.*, *supra* note 1, p. 73, Judge’s Comment JF-5 (Federal Judicial Center June 1, 2005; 179 pp.) (“If attorneys could cite non-precedential opinions, I would push for summary dispositions or have non-precedential opinions say as little as possible.”).

2. A Local Rule for Two Tier System of Opinions

There is nothing in the proposed amendment to the Federal Rules of Appellate Procedure to proscribe a modification of local court rules that would give a lesser precedential value to an unpublished opinion. Thus, the Federal Circuit has expressly noted that “although [courts of appeal will be] barred from prohibiting the citation of nonprecedential dispositions, [they] may nevertheless decide by local rule that [they] will not treat [their] nonprecedential opinions as binding precedent.”⁸⁵

Yet, the Federal Circuit judges “fear that this finely-drawn distinction will not forestall the need to devote more time and resources to nonprecedential opinions if counsel cite and rely on them.”⁸⁶ Although the Federal Circuit judges may in the end create a local rule to give a lower weight to nonprecedential opinions, in their 2004 letter in opposition to the FRAP Rule 32.1 it was stated that such a rule would be “unworkable”.⁸⁷

3. Means for a Simplified Reform

a. Elimination of Redundant Background Information

First, there is no reason for the court to repeat the facts of the trial court’s decision or its rationale. A greater number of trial court decisions are readily available to the public today, so that the recitation of the proceedings below is unnecessary for such cases.⁸⁸ As outlined for near term solutions to make the appellate process more transparent, all decisions or other relevant information from the trial court should be electronically available; if all background information were available electronically,

⁸⁵ See *Proposed Changes...*, *supra* note 8, p. 1.

⁸⁶ *Id.*

⁸⁷ *Id.* at p. 2 (“[I]f a circuit maintains a rule barring the court from treating a nonprecedential opinion as binding, there seems little point in allowing a litigant to cite such nonprecedential opinions.”).

⁸⁸ Thanks to the inclusion of many opinions on Westlaw and Lexis that are *not* in the *Federal Supplement Second*, the public has instant access to a great many of the opinions below.

opinion writing could be cut to the bone insofar as any background information is concerned.⁸⁹

b. Option of a Simplified *Per Curiam* Practice

For the cases that today receive a summary affirmance under Rule 36 or a nonprecedential opinion, all that should be required is a *per curiam* decision. It need not be more than one brief paragraph that identifies the issue (or issues) on which the decision is based and indicate an affirmance or reversal on such issues. Such a simplified *per curiam* practice would entail no more work for the court than the nonprecedential practice today.

VII. AN ISOLATED FEDERAL CIRCUIT

A more open appellate process and the end to summary affirmances for all but the truly frivolous or sham appeal would represent important steps to bridging an obvious divide between the court and major aspects of the business and academic communities. Yet, it is unfair to say that reforms, here, would make a major dent in the problem.

Professor Thomas has pointed to the failure of the court to adequately consider legal scholarship in the patent area. He notes that the two major circuits responsible for trademarks and copyrights cite scholarship four (4) times as often as the Federal Circuit.⁹⁰ He sugarcoats his criticism by suggesting that only in recent times has there been an influx in scholarly writing as more and more of the upper end law schools have full time patent academics. But, this overlooks the fact that dating back to the 1980's, the major scholars were deliberately shunned by an anti-intellectual court. Professor Eisenberg's seminal work on experimental use that has been cited more than 150 times; it was the genesis for a legislative effort; but, it has

⁸⁹Thus, instead of including detailed background of the appeal, this could be located in an electronically available document that could have a hyperlink access in the opinion itself.

⁹⁰John R. Thomas, *Academics and the Federal Circuit: Is There a Gulf and How Do We Bridge It?*, lecture to the Giles Sutherland Rich American Inn of Court, September 13, 2005, Washington, D.C. (citing Craig Allen Nard, *Toward a Cautious Approach to Obeisance: The Role of Scholarship in Federal Circuit Patent Jurisprudence*, 39 HOUS. L. REV. 667 (2002)).

never been cited by the court.⁹¹ Immediately after publication of a (largely favorable) critique of the court as the lead article in the *New York University Law Review*,⁹² its author was openly shunned by the Chief Judge.⁹³ The piece is repeatedly cited; but, its author has *never* been cited by the court.⁹⁴

Professor Thomas chides the court for its *en banc* opinion in *Phillips* which has no citation whatsoever to patent scholarship.⁹⁵ Today, the ire of the academic community is focused on two of its members, yet the overall court had circled the wagons to the point that there is now a generalized criticism of the court in the academy. The two ignore serious scholarship and instead characterize academic research as providing “[c]ritical articles [which] may be written by those who have lost a case ... or those who have little practical experience...” that collectively write the “occasional journal articles.”⁹⁶ It should be self-evident that where a scholar may spend a year

⁹¹See Rebecca S. Eisenberg, *Proprietary Rights and the Norms of Science in Biotechnology Research*, 97 Yale L.J. 177 (1987), *discussed*, Harold C. Wegner, *Post-Merck Experimental Use and the “Safe Harbor”*, 15 Fed. Cir. Bar. J. 1, 34 n.188 (2005).

⁹²Rochelle Cooper Dreyfuss, *The Federal Circuit: A Case Study In Specialized Courts*, 64 N.Y.U. L. Rev. 1 (1989).

⁹³Personal observations of the writer.

⁹⁴Westlaw CTAF search, September 27, 2005, [Rochelle w/2 Dreyfuss].

⁹⁵*Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005)(*en banc*). Professor Thomas notes that “[i]n the three opinions associated with [*Phillips*], a total of two articles were cited. One of the articles was titled *The Law of the Word: Dictionary Shopping in the Supreme Court*; the other was *Judicial Discretion of the Trial Court, Viewed From Above*. Most of us are well aware that there is a substantial body of literature addressing claim construction in the post-*Markman* era, both by full-time members of law faculties and by scholarly practitioners. Needless to say, none of that work was cited in the lengthy *Phillips* opinions.” It is not that there is an absence of scholarship in patent law.

⁹⁶Thomas (quoting *Enzo Biochem, Inc. v. Gen-Probe, Inc.*, 323 F.2d 956, 973-74 (Fed. Cir. 2002)(Lourie, J., concurring in denial of *en banc*, joined by Newman, J.))(The Federal Circuit “was created to be an expert body in patent law and, for the most part, is assigned with hearing patent appeals from across the United States. Further, the Court aspires to the practice of panel adherence to the holdings of their predecessors. Reference to other authorities may be seen as pointless at best, and at worst disruptive. As [Judges Lourie and Newman] have explained: ‘Critical articles may be written by

or more researching an area with no self-motivation than his scholarly reputation that this is work that should be valued.⁹⁷

Even if every Federal Circuit appeal were taken in the glare of the public spotlight, even if every case ended with a precedential opinion, such reforms would do absolutely no good, alone, to repair the damage, to bridge the gulf with the academic community. We enter the era of the Roberts Court led by a Chief Justice with a unique understanding of the Federal Circuit from his practice in Washington, D.C. before that court and from having sat on the sister D.C. Circuit: The academic community may be expected to shift its focus from the Federal Circuit upward to the Supreme Court as the only place that will pay attention to its policy driven scholarship.

those who have lost a case, or those who are skilled in a particular technology or not, or those who have little practical experience or who are seasoned experts.’ They further stressed that ‘we decide cases as they come to us, based on the arguments raised, the decisions below, the law, the facts, and our best efforts, not based on occasional journal articles.’”).

⁹⁷Thomas writes that “[a] review of the recent studies by the National Academies, Federal Trade Commission, and National Academy of Public Administration, as well as testimony received by Congress in connection with patent reform legislation, reveals that academic research plays an important role within the patent law. Yet for matters more directly within the province of this Court, it seems that law professors in the patent field are primarily writing for a limited audience—each other.”

Appendix I: Post-*Phillips* Claim Construction Rulings

If *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005)(*en banc*), held the promise of providing a predictable claim construction regime that trial courts could follow, the utter failure of the Federal Circuit itself to agree on claim construction in the wake of *Phillips* manifests the failure of the regime: Roughly one opinion per month has been rendered by the court with a 2-1 split vote on claim construction. The *Erythropoietin* case⁹⁸ may represent the perfect storm for a Supreme Court challenge to the *de novo* standard of claim construction review.⁹⁹

Even with simple terms in mechanical cases, the court has had difficulty agreeing on claim construction. In the *Dorel* child's car seat case, agreement could not be achieved over a simple claim construction issue concerning whether a child car's seat is "removably" attached.¹⁰⁰ The *Dorel* child's car seat case manifests the difficulty even the most senior members of the Federal Circuit have with the *Phillips* claim construction regime. The panel *averages* fifteen (15) years service on the court, yet it was impossible to reach a consensus on a simple mechanical invention – a child's car seat, and the term "removably attached". If such a senior panel of the court cannot reach agreement on a simple *car seat*, then *a fortiori* the plight for gene splicing, software, nanotechnology and other cutting edge technologies is self-evident. Even worse, if three judges with a cumulative forty-five (45) years on the bench can't reach agreement on a simple term – "removably" attached in a simple mechanical technology, then what hope

⁹⁸*Amgen Inc. v. Hoechst Marion Roussel, Inc.*, ___ F.3d ___, 2006 WL 2167206 (Fed. Cir. 2006)(Michel, C.J., Clevenger, Schall, JJ.)(Michel, C.J., dissenting).

⁹⁹ See Appendix II, *Cybor! The Need to Review de novo Review*, *infra* at page 39.

¹⁰⁰*Dorel Juvenile Group, Inc. v. Graco Children's Products, Inc.*, 429 F.3d 1043, 1047(Fed. Cir. 2005)(Newman, Clevenger, Gajarsa, JJ.)(Newman, J., dissenting)(child's car seat)("The district court correctly construed the term 'removably attached/secured' to mean 'removably,' not its opposite, as the panel majority holds. The Graco carseat is a permanent assembly whose molded parts are permanently screwed together with six 'one-way' screws. Upon unscrewing and disassembly, the Graco seat becomes a collection of loose parts, the cup holder incapable of its function of supporting a cup. The Graco carseat is clearly not a base and seat assembly as in the *Dorel* patents, whereby the seat can be reversibly slipped from its mooring to carry its infant passenger.

”)

does an otherwise skilled and experienced trial judge have in dealing with her or his *first* patent case? Perhaps as simple a case as the *Dorel* child's car seat case is *Agfa v. Creo* where the term incapable of unanimous resolution is "stack".¹⁰¹

Switching Theories on Appeal

As a *de novo* claim construction matter, parties are able to switch theories on appeal. As cautioned in *Lava Trading*, one of the "the unfortunate consequences" of *de novo* review¹⁰² is the creation of opportunities for parties to play a claim construction mulligan, to present a new theory of claim construction on appeal: "Because claim construction is treated as a matter of law chimerically devoid of underlying factual determinations, there are no 'facts' on the record to prevent parties from presenting claim construction one way in the trial court and in an entirely different way in this court."¹⁰³ The *Lava Trading* warning followed the *Harris v. Ericsson* case where the dissenting judge noted that the winning party on appeal "submit[ted] its [winning] claim construction argument, for the first time, on appeal[,] ... a paradigm shift which should not be tolerated."¹⁰⁴

¹⁰¹ *Agfa Corp. v. Creo Products Inc.*; 451 F.3d 1366, 1385 (Newman, Lourie, Rader, JJ.) (Fed. Cir. 2005) (Newman, J., dissenting) ("I cannot agree with the panel majority that 'stack' is correctly construed to include the vertical alignment of the prior art.").

¹⁰² *Lava Trading, Inc. v. Sonic Trading Management, LLC*, 445 F.3d 1348, 1355 (Fed. Cir. 2006) (Mayer, J., dissenting) (citing *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) (en banc), *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448 (Fed. Cir. 1998) (en banc), and *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc)).

¹⁰³ *Id.*

¹⁰⁴ *Harris Corp. v. Ericsson Inc.*, 417 F.3d 1241, 1261 (Fed. Cir. 2005) (Clevenger, Gajarsa, Prost, JJ.) (Gajarsa, J., dissenting) ("[T]he court allows Ericsson to submit its *WMS Gaming [Inc. v. Int'l Game Technology]*, 184 F.3d 1339 (Fed. Cir. 1999), claim construction argument, for the first time, on appeal. Contrary to the court's analysis, the shift in claim construction is more than an 'infinitesimal tweak in scope.' The facts belie that position. It is in fact a paradigm shift which should not be tolerated. Ericsson procedurally defaulted by not making the argument to the trial court, and the facts of this case weigh against excusing the waiver. The court's approach misapplies our waiver

The sheer number of cases in which panels of the court could not agree on claim construction manifests the unworkability of the *Phillips* model:

Proliferation of Split Post-Phillips Claim Construction Rulings

In a bit more than one year since *Phillips*,¹⁰⁵ there have been twelve split claim construction cases.¹⁰⁶

jurisprudence and fails to understand the policies that regulate the proper relation of trial and appellate courts.”)

¹⁰⁵The search for this section was conducted on August 8, 2005; *Phillips* was decided July 12, 2005.

¹⁰⁶ In addition to the *Dorel* child’s car seat case, the *Erythropoietin* case, *Harris v. Ericsson, Agfa v. Creo* and the *Erythropoietin* case, see *Swingrite Golf Corp. v. Grips Fore Golf*, __ Fed. Appx. __, 2006 WL 1813910 (Fed.Cir. 2006)(Archer, Schall, Dyk, JJ.)(Schall, J., dissenting); *Applied Medical Resources Corp. v. U.S. Surgical Corp.*, 448 F.3d 1324, 1337-38 (Gajarsa, Dyk, Prost)(Dyk, J., dissenting)(“In my view the majority's approach expands the scope of 112(6) claims contrary to our prior precedent by failing to enforce the requirement that the patentee show that the accused device perform the required function in substantially the same ‘way’ as the patented device.”); *Paymaster Technologies, Inc. v. U.S.*, __ Fed. Appx. __, 2006 WL 1228851 (Fed. Cir. 2006)(Michel, C.J., Friedman, Dyk, JJ.)(Dyk, J., dissenting)(“I do not agree with the majority's construction of the term ‘form set.’ I respectfully dissent.”); *SmithKline Beecham Corp. v. Apotex Corp.*, 439 F.3d 1312, 1321 (Fed. Cir. 2006)(Newman, Schall, Dyk, JJ.)(Newman, J., dissenting)(“[T]he district court found ‘anticipation’ based on a claim construction that erased critical limitations of the claim. At issue are claims that require the use of a specified process for the commercial production of tablets of the known pharmaceutical product paroxetine (Paxil®).”); *nCube Corp. v. Seachange Intern., Inc.*, 436 F.3d 1317, 1327 (Fed. Cir. 2006)(Rader, Friedman, Dyk, JJ.)(Dyk, J., dissenting)(“The majority upholds the district court's claim construction. Seachange argues, and I agree, that this claim construction erroneously omitted the further requirement that the upstream manager route messages bound for services on the server using logical addresses. Under the proper claim construction, there was insufficient evidence to support the verdict of infringement because there is no evidence the accused device uses logical addresses for any purpose.”); *Eli Lilly and Co. v. Teva Pharmaceuticals USA, Inc.*, __ Fed.Appx.__, 2005 WL 1635262 (Fed. Cir. 2005)(Mayer, Lourie, Bryson, JJ.)(Mayer, J., dissenting without opinion); *Free Motion Fitness, Inc. v. Cybex Intern., Inc.*, 423 F.3d 1343, 1353 (Fed. Cir. 2005)(Rader, Dyk, Prost, JJ.)(Prost, J., dissenting).

Appendix II: Cybor! The Need to Review *de novo* Review

Should the Federal Circuit return to the “clearly erroneous” standard for review under F.R.C.P. 52(a) of fact-based claim construction rulings as opposed to the *Cybor de novo* standard of review?¹⁰⁷

There is a surprisingly widespread – and false – view that the Supreme Court has endorsed a *de novo* standard of claim construction review. See § A, *No Supreme Court Imprimatur for a De Novo Review*. While the Court *has* endorsed the view that claim construction *is* a legal issue for review by a court and not a jury, the case for a clearly erroneous standard of review may be particularly apt for claim construction where there is invariably a factual component. See § B, *An Invariably Fact-Based Determination of Law*.

Fact-based determinations are governed by FRCPA 52(a) that mandates application of a clearly erroneous standard which has been endorsed by the Court in cases involving other areas of the law – and nearly sixty years ago in *Graver Tank*.¹⁰⁸ See § C, *A Departure from FRCP Rule 52(a)*.

Certiorari to review *Cybor* is likely to be granted once there is a thoughtful petition which demonstrates a split amongst the circuits, as well as a demonstration that *Cybor* is contrary to Supreme Court patent law precedent as well. Presently, there are undoubtedly numerous cases on appeal to the Federal Circuit where the *Cybor* standard could be implicated. For example, in *Regal Electronics*, the appellate seeks a reversal of claim construction by his explicit reliance upon the *de novo* standard of review.¹⁰⁹ *Desa v. EML* is yet another case.¹¹⁰ Yet, the perfect storm may well have

¹⁰⁷*Cybor Corp. v. FAS Tech., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (*en banc*).

¹⁰⁸*Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 336 U. S. 271, 274-75 (1949), *subsequent opinion on rehearing on other issue*, 339 U.S. 605 (1950).

¹⁰⁹*Regal Electronics, Inc. v. Pulse Engineering, Inc.* Fed. Cir. App. No. 06-1294 (Appellant’s brief)(“The district court erred in [its claim construction]. Since this court reviews the district court’s claim construction *de novo* on appeal [*Cybor Corp v FAS Techs.*, 138 F.3d 1448, 1454 (Fed. Cir. 1998)] it is not necessary to demonstrate clear error on the part of the district court.”).

been created for Supreme Court review in the *Erythropoietin* case. See § D, *The Erythropoietin case: A Perfect Certiorari Storm*.

A. No Supreme Court Imprimatur for a *De Novo* Review

In *Cybor*, the court erroneously “conclude[d] that the Supreme Court's unanimous affirmance in *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996)[], of our in banc judgment in that case fully supports our conclusion that claim construction, as a purely legal issue, is subject to *de novo* review on appeal.”¹¹¹ Following *Cybor*, citation to *Markman* is often as follows: “Claim construction is an issue of law that we review *de novo*. *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1456 (Fed.Cir.1998) (*en banc*); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed.Cir.1995) (*en banc*), *aff'd*, 517 U.S. 370 (1996).”¹¹² Clearly, the Supreme Court did *not* affirm the ruling concerning *de novo* review.

Thus, the Court never considered the *de novo* standard of review as an issue necessary for decision in *Markman* because the question presented in *Markman* was narrowly focused upon whether a judge or jury should make the claim construction determination.¹¹³ The holding was limited to this

¹¹⁰ *Desa IP, LLC v. EML Technologies, LLC*, Fed. Cir. App. No 06-1168 (Appellant's brief) (“[T]his appeal turns on the correctness of the Trial Court's claim construction, an issue of law (*Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 970-71 (Fed. Cir. 1995), *aff'd* 517 U.S. 370 (1996)) which is also reviewed *de novo*. *Cybor Corp. v. FAS Tech., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (*en banc*).”)

¹¹¹ *Cybor Corp. v. FAS Technologies, Inc.*, 138 F.3d 1448, 1451 (Fed. Cir. 1998)(*en banc*)(Archer, J.), citing *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 979 (Fed.Cir.1995) (*en banc*)[].

¹¹² *Boss Control, Inc. v. Bombardier Inc.*, 410 F.3d 1372, 1376 (Fed. Cir. 2005)(Prost, J.). It is correct to say that determination the Supreme Court *did* affirm the ruling that the issue is one of law. See *Flex-Rest, LLC v. Steelcase, Inc.*, ___ F.3d ___, 2006 WL 1928697 (Fed. Cir. 2006)(Linn, J.) (“Claim construction is an issue of law, see *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 970-71 (Fed.Cir.1995) (*en banc*), *aff'd*, 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996), that we review *de novo*. See *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1456 (Fed.Cir.1998) (*en banc*); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1328 (Fed.Cir.2005) (*en banc*).”).

¹¹³ The Court granted *certiorari* only on the question whether “[i]n a patent infringement action for damages ... there a right to a jury trial under the Seventh Amendment of the United States Constitution of genuine factual disputes about the

issue.¹¹⁴ If anything, the Supreme Court suggests that where there is extrinsic evidence, the trial judge is in the best position to determine claim construction: Only the trial judge – as opposed to a jury – has “a trained ability to evaluate the testimony in relation to the overall structure of the patent. *The decisionmaker vested with the task of construing the patent is in the better position to ascertain whether an expert's proposed definition fully comports with the specification and claims and so will preserve the patent's internal coherence.* We accordingly think there is sufficient reason to treat construction of terms of art like many other responsibilities that we cede to a judge in the normal course of trial, notwithstanding its evidentiary underpinnings.”¹¹⁵

B. An Invariably Fact-Based Determination of Law

A mythology has been created that because claim construction is a legal matter it is without any factual component: “Because claim construction is treated as a matter of law chimerically devoid of underlying factual determinations, there are no ‘facts’ on the record to prevent parties from presenting claim construction one way in the trial court and in an entirely different way in this court.”¹¹⁶

meaning of a patent?” The Court explained the limited scope of its review in the opinion itself: “The question here is whether the interpretation of a so-called patent claim, the portion of the patent document that defines the scope of the patentee's rights, is a matter of law reserved entirely for the court, or subject to a Seventh Amendment guarantee that a jury will determine the meaning of any disputed term of art about which expert testimony is offered. We hold that the construction of a patent, including terms of art within its claim, is exclusively within the province of the court.” *Markman*, 517 U.S. at 372.

¹¹⁴“The question here is whether the interpretation of a so-called patent claim, the portion of the patent document that defines the scope of the patentee's rights, is a matter of law reserved entirely for the court, or subject to a Seventh Amendment guarantee that a jury will determine the meaning of any disputed term of art about which expert testimony is offered. *We hold that the construction of a patent, including terms of art within its claim, is exclusively within the province of the court.*” *Markman*, 517 U.S. at 372; emphasis added.

¹¹⁵*Markman*, 517 U.S. at 390; emphasis added.

¹¹⁶*Lava Trading, Inc. v. Sonic Trading Management, LLC*, 445 F.3d 1348, 1355 (Fed. Cir. 2006)(Mayer, J., dissenting)

Yet, there is almost always a factual component in the determination of the meaning of claim wording. Thus, “extrinsic evidence in the form of expert testimony can be useful to a court for a variety of purposes, such as to provide background on the technology at issue, to explain how an invention works, to ensure that the court's understanding of the technical aspects of the patent is consistent with that of a person of skill in the art, or to establish that a particular term in the patent or the prior art has a particular meaning in the pertinent field.”¹¹⁷ It is the exception and not the rule where the judge is able to determine the meaning of claim terminology without a “special education to put himself in the position of a worker skilled in the art[.]”¹¹⁸

C. A Departure from FRCP Rule 52(a)

Factual determinations of a trial court are to be reviewed under a “clearly erroneous” standard which puts the Federal Circuit review of fact-based claim construction determinations squarely at odds with the Supreme Court and the regional circuits insofar as interpretation of documents is concerned.

As explained by the Court in *Graver Tank* nearly sixty years ago: “Rule 52(a) of the Federal Rules of Civil Procedure, 28 U.S.C.A., provides in part: 'Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses.' To no type of case is this last clause more appropriately applicable than to the one before us, where the evidence is largely the testimony of experts as to which a trial court may be enlightened by scientific demonstrations. This trial occupied some three weeks, during which, as the record shows, the trial judge visited laboratories with counsel and experts to observe actual demonstrations of welding as taught by the patent and of the welding accused of infringing it, and of various stages of

¹¹⁷*Phillips v. AWH Corp.*, 415 F.3d 1303, 1318 (Fed. Cir. 2005)(*en banc*)(Bryson, J.)(citing *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1308-09 (Fed.Cir.1999); *Key Pharms. v. Hercon Labs. Corp.*, 161 F.3d 709, 716 (Fed.Cir.1998))

¹¹⁸*Phillips v. AWH Corp.*, 415 F.3d at 1314. (“Only very rarely will a lay judge be able to determine the meaning of a claim without the special education to put himself in the position of a worker skilled in the art[.]”)

the prior art. He viewed motion pictures of various welding operations and tests and heard many experts and other witnesses. He wrote a careful and succinct opinion and made findings covering all the factual issues.”¹¹⁹ As explained in *Rogers*, “[o]ur recent decision in *Pullman-Standard v. Swint*, 456 U.S. 273 (1982), emphasizes the deference Federal Rule of Civil Procedure 52 requires reviewing courts to give a trial court's findings of fact. "Rule 52a broadly requires that findings of fact not be set aside unless clearly erroneous. *It does not make exceptions or purport to exclude certain categories of factual findings....*" 456 U.S. at 287.”¹²⁰

Some members of the Federal Circuit have been openly uneasy over what may be perceived as a radical departure from FRCP 52(a). For example, in a concurrence it is stated that “[t]he Supreme Court in *Markman* stated that it would be a rare case in which claim construction would turn on an issue such as a credibility judgment between two competing expert witnesses. *See* 517 U.S. at 388-90. Such cases, however, may arise, and in those cases it would be entirely appropriate--and consistent with our characterization of claim construction as a question of law--to factor into our legal analysis the district court's superior access to one of the pertinent tools of construction.”¹²¹

Another member of the court bluntly disagreed with the departure: “The Supreme Court recognized that in some cases there will be conflicting evidence that has to be resolved – where there are factual determinations that are more than just incident to claim construction – such as the understanding of one skilled in the art at the time the patent application was filed. ... Wisely, the Supreme Court stopped short of authorizing us to find facts *de novo* when evidentiary disputes exist as part of the construction of a patent claim and the district court has made these findings without committing clear error. *See Fromson v. Anitec Printing Plates, Inc.*, 132 F.3d 1437, 1446 (Fed.Cir.1998) (findings of fact made by a district court to resolve disputes as to the meaning of claim terms are affirmed absent clear error); *Eastman Kodak Co. v. Goodyear Tire & Rubber Co.*, 114 F.3d 1547, 1555-56 (Fed.Cir.1997) (reliance on expert testimony to clarify ambiguous claim

¹¹⁹*Graver Tank*, 336 U.S. at 274-75.

¹²⁰*Roger v. Herman Lodge*, 458 U.S. 613, 622 (1982)(emphasis added).

¹²¹*Cybor Corp. v. FAS Technologies, Inc.*, 138 F.3d 1448, 1463 (Fed.Cir. 1998(en banc)(Bryson, J., concurring).

term is acceptable and deference is given to the trial court's credibility determination). Rather, when the judge finds facts or accepts the factual determinations of a jury, those facts are entitled to greater deference than *de novo* fact finding on appeal.”¹²²

D. The *Erythropoietin* case: A Perfect *Certiorari* Storm

The *Erythropoietin* case may represent the perfect storm for a Supreme Court challenge to the *de novo* standard of claim construction review at the Federal Circuit.¹²³ The latest opinion involves Judge Schall joining forces with Judge Clevenger, switching sides from Judge Michel in an earlier opinion from 2003,¹²⁴ with the case going back and forth between Boston and Madison Place like a ping pong ball.

The Chief Judge acknowledges the ten year history of the litigation, truly a ping pong ball bouncing between the trial court and the Federal Circuit: “This litigation has already dragged on for almost ten years, yet the end is nowhere in sight. The majority again remands this case to the district court, this time for a re-adjudication of whether the [prior art] anticipates claim 1 ... in light of its revised construction of ‘therapeutically effective.’ The district court, as a result, will conduct further proceedings and render a third opinion. Inevitably, at least one party will appeal that judgment, prompting a third review by this Court. We, in turn, will issue another opinion, perhaps even remanding the case a third time. ... Presumably, after our decision in that potential third appeal, the district court would conduct a trial or hearing on that issue and reach another decision, which will likely be appealed by one or both of the parties. We consequently would hear a fourth appeal and issue a fourth decision, which could involve yet another remand. When will it end? Ironically, the patents in dispute may expire before this litigation concludes.”

¹²² *Cybor Corp. v. FAS Technologies, Inc.*, 138 F.3d 1448, 1464-65 (Fed.Cir. 1998(en banc)(Mayer, J., concurring in the judgment)

¹²³ *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, ___ F.3d ___, 2006 WL 2167206 (Fed. Cir. 2006)(Michel, C.J., Clevenger, Schall, JJ.)(Michel, C.J., dissenting).

¹²⁴ *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, 314 F.3d 1313 (Fed. Cir. 2003)(Michel, Clevenger, Schall, JJ.)(Clevenger, J., dissenting).

A particularly compelling reason for *de novo* review in the *Erythropoietin* case is the complex technology involved that is necessary to understand as part of the trial judge's exercise in reaching a proper claim construction analysis.

Where, as here where there are biotechnology limitations that can only be understood by a trial judge with the help of expert tutorials, it is particularly important to adhere to Rule 52(a) because “[t]hat Rule recognizes and rests upon the unique opportunity afforded the trial court judge to evaluate the credibility of witnesses and to weigh the evidence.”¹²⁵ Because of the deference due the trial judge, unless an appellate court is left with the 'definite and firm conviction that a mistake has been committed,' it must accept the trial court's findings.”¹²⁶

¹²⁵*Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 855 (1982), citing *Zenith Radio Corp. v. Hazeltine Research, Inc.*, 395 U.S. 100, 123 (1969).

¹²⁶*Inwood Laboratories*, 456 U.S. at 855, internal citation omitted to *United States v. United States Gypsum Co.*, 333 U.S. 364, 395 (1948).