The Role of the Supreme Court & the PTO in the Development of Patent Law

by John M. Whealan
Solicitor, USPTO
and
Cynthia C. Lynch
Associate Solicitor, USPTO

Over the history of the Supreme Court, its involvement in the development of patent law has varied. In the past five years, the Court has shown a significant interest in intellectual property cases, including patent cases. In particular, as this paper will discuss, the Court has invited the government’s views on whether certiorari should be granted in numerous patent cases. While this practice is not new to the Supreme Court, it is new to the patent community. Moreover, perhaps because of the specialized nature of this area of law, the Court has frequently relied on the views of the government in these cases. The Patent and Trademark Office, through its General Counsel and Solicitor, is involved with the United States Solicitor General in generating the government’s position in intellectual property cases at the Supreme Court.

The Supreme Court & Patent Law

Supreme Court review “on writ of certiorari is not a matter of right, but of judicial discretion.” Supreme Court Rule 10. A party seeking Supreme Court review must file a petition for a writ of certiorari, and convince the Court that there
are “compelling reasons” that the Court should exercise its discretion to hear the case. See id.; Supreme Court Rule 12. The Supreme Court’s Rules provide some insight into the criteria the Court uses to decide what cases to review, and certiorari is typically granted in three principal types of cases: (i) those creating or reflecting a split among the circuits; (ii) those conflicting with Supreme Court precedent; or (iii) those presenting questions of exceptional importance. See Supreme Court Rule 10. Some of the criteria are less applicable to patent cases. For example, a split among the Circuit Courts of Appeals (Supreme Court Rule 10(a)) would be unlikely in the patent field because of the exclusive appellate jurisdiction of the Federal Circuit for the last 23 years. See 28 U.S.C. § 1295(a); 28 U.S.C. § 1338. Supreme Court review of patent cases is typically granted because an appellate court decision conflicts with Supreme Court precedent, or because the case involves an important question that should be decided by the Supreme Court. See Supreme Court Rule 10(c).

1Some petitions for certiorari have cited a circuit split in the patent field, based on circuit court decisions pre-dating 1982, when such courts heard patent appeals. For example, in Pfaff v. Wells Electronics, Inc., the Court granted certiorari in part because of the cited split between the Federal Circuit, on the one hand, and Second and Seventh Circuit decisions from the 1970's, on the other hand, 525 U.S. 55, 60 (1998). Also, in the currently-pending petition for certiorari in KSR Int’l Co. v. Teleflex Inc., the petitioner relies in part on a split between the Federal Circuit’s test for obviousness and the test employed by the Fifth Circuit in a 1980 decision. KSR Petition at 20-21.
Historical Background

The Court’s docket as a whole, and its patent docket, have undergone significant changes over time. From its earliest days, to the 20th Century, the number of cases heard by the Supreme Court has grown considerably. By way of illustration, in its first decade, the Supreme Court’s docket consisted of fewer than 100 cases, whereas in the decade from 1990 to 1999, the Court had about 76,000 cases on its docket. Robert L. Stern, Eugene Gressman, Stephen M. Shapiro and Kenneth S. Geller, Supreme Court Practice 55-56 (8th ed. 2002) (hereinafter “Supreme Court Practice”). The Court currently engages in “plenary review,” including hearing oral argument, in approximately 100 cases per term.

http://www.supremecourtus.gov/about/justicecaseload.pdf.

The size of the Court’s patent docket has fluctuated. In the early days of the Supreme Court, through most of the 19th Century, mandatory Supreme Court jurisdiction for patent appeals existed, and the Court heard several each term. John F. Duffy, The Festo Decision and the Return of the Supreme Court to the Bar of Patents, 2002 Sup. Ct. Rev. 273, 274 (hereinafter “Duffy”). Even in the first half

\[ \text{However, for a discussion of a decrease in the size of the Court’s docket since 1989, relative to the period from 1971 to 1988, see Arthur D. Hellman, The Shrunken Docket of the Rehnquist Court, 1996 Sup. Ct. Rev. 403.} \]
of the 20th Century, when there was no longer mandatory jurisdiction, the Court continued to hear several patent cases per term. Duffy at 275. During the 1950's, 60's and 70's, the Court’s patent docket decreased, averaging only one patent case per term. Id. The formation of the Federal Circuit in 1982 seemed, at least initially, to bring about a further decline, with the Supreme Court hearing only three patent cases from 1982 to 1992. See Christianson v. Colt Indus. Operating Corp., 486 U.S. 800 (1988) (Federal Circuit “arising under” jurisdiction); Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141 (1989) (preemption and federal patent law); Eli Lilly and Co. v. Medtronic, Inc., 496 U.S. 661 (1990) (scope of the FDA “safe harbor” exemption from patent infringement). Yet in the last five years, the number has increased. For example, during the 2001 term, the Court issued a decision in J.E.M. AG Supply, Inc. v. Pioneer Hi-Bred Intern., Inc., 534 U.S. 124 (2001) on the patentability of newly bred plant breeds, heard argument in Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co. on the patent law doctrine of prosecution history estoppel and granted certiorari in Holmes Group, Inc. v. Vornado Air Circulation Systems, Inc. to address the scope of the Federal Circuit’s exclusive appellate jurisdiction in patent matters. See Duffy at 278.

**Recent Trends**

In recent years, the Supreme Court’s interest in patent law seems to have
risen, perhaps at least in part as a reflection of the increased economic importance of intellectual property. Duffy at 247-48. Appellate lawyers who specialize in Supreme Court practice have also associated themselves with patent cases, and may contribute to the presentation of such cases to the Supreme Court in such a way as to increase the likelihood of a grant of certiorari. While intellectual property law historically has remained a specialized area avoided by general litigators, the higher profile and lucrative nature of intellectual property litigation has attracted some very distinguished general appellate lawyers, such as when Judge Robert Bork and Judge Kenneth Starr served as counsel in the Festo case at the Supreme Court, or when current Supreme Court nominee John G. Roberts argued for the petitioner in Traffix Devices v. Marketing Displays. These attorneys, who know and are known by the Court, are particularly skilled at crafting petitions for certiorari, and drawing the Court’s attention to cases.

Another possible contributing factor to the more frequent Supreme Court review in recent years may come from the development of a similar skill on the part of the Federal Circuit. Perhaps recognizing the relative disadvantage in the extreme unlikelihood of a circuit split in the patent field, certain Federal Circuit judges seemed to have compensated for it through the use of dissents, or even through the tone and content of majority opinions. In the Festo case, for example,
four judges issued extensive dissents addressing both policy considerations and precedent weighing against establishing the prosecution history estoppel complete bar. Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 234 F.3d 558, 599-642 (Fed. Cir. 2000) (Linn, J., Newman, J., Rader, J. and Michel, J., dissenting). Similarly, in Integra Lifesciences I, Ltd. v. Merck KgaA, 331 F.3d 860 (Fed. Cir. 2003), Judge Newman’s dissent-in-part raised both policy considerations and prior Supreme Court precedent to suggest that “neither law nor policy requires [the majority’s] conclusion, and both law and policy have long required a different conclusion in implementation of the purpose of the patent system.” Id. at 873 (Newman, J., dissenting in part). In both these cases where certiorari was granted, the Supreme Court petitioner and supporting amici relied heavily on these dissents in urging the Court to review the cases, in the same manner that a circuit split might be relied on outside the patent context. In Independent Ink, Inc. v. Illinois Tool Works, Inc., 396 F.3d 1342 (Fed. Cir. 2005), Judge Dyk authored the opinion applying what the unanimous Federal Circuit panel deemed controlling Supreme Court precedent requiring a presumption that a patentee had market power in the patented product. However, Judge Dyk’s opinion made it clear that the panel questioned whether such precedent was outdated and should be overruled. Id. at 1351 (“The time may have come to abandon the doctrine, but it is up to the
Congress or the Supreme Court to make this judgment”). This framing of the issue by the Federal Circuit likely contributed to the Supreme Court’s grant of certiorari in the case.

A majority of the Court’s selection of patent cases seems to reflect a focus on either (i) the intersection of patent law with other areas of law; or (ii) significant questions of patent law with broad-reaching implications. For example, Warner-Jenkinson, addressing the doctrine of equivalents, and Festo, addressing the doctrine of prosecution history estoppel, fall into the second category, while Merck KGAA v. Integra Lifesciences I, Ltd., addressing the FDA safe harbor exemption from patent infringement, and Independent Ink, involving the intersection of antitrust and patent and copyright law, fall into the first category.

**Government Involvement in Supreme Court Cases**

**The Role of the Solicitor General**

The Office of the Solicitor General of the Department of Justice handles government litigation in the United States Supreme Court. Section 518(a) of Title 28 provides that:
(a) Except when the Attorney General in a particular case directs otherwise, the Attorney General and the Solicitor General shall conduct and argue suits and appeals in the Supreme Court . . . in which the United States is interested.

(1994). “Historically, the United States Government, represented by the Solicitor General, has been the most frequent litigator in the United States Supreme Court.” Arthur D. Hellman, The Shrunken Docket of the Rehnquist Court, 1996 Sup. Ct. Rev. 403, 417. Currently, the United States “is interested,” as either a party or an amicus curiae, in about two-thirds of all Supreme Court cases decided on the merits each year. http://www.usdoj.gov/osg/aboutosg/function.html. Through an inclusive process of consultation with any interested federal agencies, the Solicitor General decides if and when the United States will urge the Court to grant certiorari and what positions the United States will advocate. The vast majority of government cases are argued by the Solicitor General or by one of the other attorneys in the Solicitor General’s Office. These practices hold true in patent cases.

The Role of the PTO

Typically, the Office of the Solicitor General will confer with any interested federal agency in developing the government’s position in a Supreme Court case. Also, by statute, the PTO “shall advise Federal departments and agencies on matters of intellectual property policy in the United States.” 35 U.S.C. § 2(b)(9).
Accordingly, the Office of the Solicitor General confers with the PTO on Supreme Court patent cases. However, the PTO is not the only office with which the Solicitor General confers in such cases. Often, the Department of Justice’s Commercial Litigation Branch, which advises and defends the United States in intellectual property matters, participates in forming the government’s position in such cases. In many patent cases, other federal agencies and governmental entities also offer views. For example, in patent cases that overlap with antitrust, such as Independent Ink v. Illinois Toolworks, the Federal Trade Commission and the Antitrust Division of the Department of Justice will be involved; or in a patent case that addresses the Hatch-Waxman Act, such as Merck KGAA v. Integra Lifesciences I, Ltd., the Food and Drug Administration may also be involved. The Civil Appellate Division of the Department of Justice also works with the Office of the Solicitor General on most Supreme Court cases.

Nonetheless, both because of its statutory role as intellectual property advisor and the expertise of the agency, the PTO plays a role in forming the government’s positions in these cases. Generally, the PTO Solicitor’s Office, with the General Counsel, provides the PTO representation in the interagency deliberations on intellectual property matters, in coordination with the Department of Commerce.
Government Participation

The United States’ participation in a Supreme Court case may come either as a party or as an amicus. Participation as a party in a patent case is rare. See, e.g., Dickinson v. Zurko, 527 U.S. 150 (1999) (Acting PTO Commissioner was petitioner in this case concerning the standard of review applied to PTO findings of fact). Discretionary participation as an amicus is more frequent, but necessitates the weighing of various considerations to reach a determination. At the certiorari stage, government amicus participation is rare, unless requested through an invitation from the Court. At the merits stage, government participation is much more common.

Government amicus participation is driven either by (i) an institutional interest in the outcome of the case; or (ii) by the sense that the government may offer some unique perspective or arguments not offered by the parties. The government’s amicus participation in the Festo case offers a fine illustration. First, the government had an institutional interest in the Court’s treatment of prosecution history estoppel. Because of the direct impact of that doctrine on the behavior of patent applicants prosecuting their applications at the PTO, the decision would have an operational effect on the PTO. For example, it was predicted that because of the Federal Circuit’s complete bar rule, applicants would refuse to amend
claims, and would instead appeal rejections to the PTO’s Board of Patent Appeals and Interferences, resulting in a dramatic shift in Office practice and workload. Also, as an occasional patent infringement defendant, the government’s interest also included discouraging an unduly expansive application of the doctrine of equivalents. Second, in the Festo case, the government’s brief and argument offered the Court a moderate position on prosecution history estoppel, in between the more extreme positions advocated by the private litigants. Thus, the government believed (and ultimately, so did the Supreme Court) that government amicus participation could be useful to the Supreme Court in formulating its decision on this doctrine. This is not atypical. Often, in patent cases, the parties advocate diametrically opposed perspectives on the law to promote resolution of the case in favor of their respective positions. Frequently, both perspectives are incorrect or ill-advised, and the government, as a neutral amicus with the luxury of weighing the relevant policy implications, may offer some more moderate view.

Many parties seek government amicus participation in support of their positions, either when a petition for certiorari is being filed, when the Court has requested the government’s views on whether to grant certiorari, or at the merits stage. At a party’s request, representatives from the Office of the Solicitor General and any other interested governmental agencies or entities (e.g. the PTO) typically
will meet with the party’s counsel for a “pitch” presentation advocating government support for the party’s position, and addressing any questions or concerns the government representatives may have. The parties tend to tailor their presentations to highlight the government’s institutional interest in the matter or some other compelling reason for the government to participate. Both sides may request meetings; opposing counsel are not present at each other’s meetings. Subsequently, the Solicitor General, with input from the other governmental agencies or entities, makes the final determination as to the government’s participation and position. Because the government so rarely files an amicus brief at the certiorari stage unless invited by the Court, it is generally most effective for parties to defer requesting a “pitch” meeting until an invitation has issued from the Court or certiorari has been granted. However, in patent cases, the forwarding of copies of the briefs to the Solicitor General and the PTO makes the government aware of the case at an early stage. In cases where the Court invites the government’s views on whether to grant certiorari, parties who wish to seek government support for their position on the merits should do so promptly once the Court’s invitation issues. The government’s amicus brief at the certiorari stage generally takes a position on the merits of the case, and that position is unlikely to change if the Court grants review and the government files at the merits stage.
Thus, a party may wish to meet with the government prior to the filing of the government’s certiorari brief.

**Supreme Court Invitations for Government Amicus Participation**

The Supreme Court has an occasional practice of inviting a government amicus brief on a particular matter, known in Supreme Court parlance as a “CVSG,” referring to the “call for the views of the Solicitor General.” The Court occasionally issues a CVSG to seek the government’s views on whether the Supreme Court should grant certiorari. Although, in general, absent an invitation, the government rarely files an amicus brief at the certiorari stage, responding to an invitation is a near certainty.

The CVSG process is not new to the Supreme Court bar. On average, in recent years, the Supreme Court has issued around 15 CVSGs per term. However, the CVSG process is relatively new to the patent bar. Anecdotally, the PTO Solicitor is unaware of PTO involvement in responding to a CVSG in a patent case during the 1990's. As shown below, however, the Court’s 2000 term brought three invitations in patent cases. Since then, the trend has continued, as shown in the list of cases that follows. In the 2002 term, for example, the government responded to four invitations in patent-related cases. In the 2004 term, of 13 government amicus briefs filed in response to CVSGs, four were in patent cases. See
As a result, the government has, in recent years, filed numerous amicus briefs in patent cases at the certiorari stage. Such amicus briefs generally both (i) provide a recommendation for or against granting certiorari; and (ii) discuss the merits of the questions presented. A CVSG response will also serve as a template for the merits brief if certiorari is granted, because the government has already outlined a position on the merits. Given the standards for Supreme Court review, it is not surprising that, when asked, the government frequently recommends against certiorari and explains why the case does not merit review.

**Overview of Recent PTO Work on Supreme Court I.P. Cases**

To provide a sense of the volume and type of government work on intellectual property matters at the Supreme Court, the following is a summary of the cases on which the PTO has consulted with the Office of the Solicitor General in recent years:
2000 Term

- J.E.M. AG Supply, Inc. v. Pioneer Hi-Bred International, Inc. (the eligibility of a plant for utility patent protection under § 101) (CVSG & merits briefs)
- Traffix Devices v. Marketing Displays (the proper test for functionality in the context of trade dress protection, and the import of an expired utility patent for purposes of determining functionality) (merits brief)
- CSU v. Xerox (Whether a unilateral refusal to license or sell intellectual property protected by patent or copyright is absolutely immune from an antitrust violation claim) (CVSG brief)
- Atlantic Richfield Co. v. Union Oil Company (patent claim construction and interpretation of the written description requirement) (CVSG brief)

2001 Term\(^3\)

- Moseley v. V Secret Catalogue, Inc. (the proper test trademark dilution – whether likelihood of dilution or actual dilution need be shown) (merits brief)

\(^3\)The PTO also consulted with the Office of the Solicitor General on Holmes Group, Inc. v. Vornado Air Circulation Systems, Inc., a case in which the Supreme Court granted certiorari to resolve the scope of the Federal Circuit’s exclusive appellate jurisdiction over patent matters, and whether it extends to cases with patent counterclaims. Although no government pleading was ultimately filed, significant work was required to reach that decision.
• Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co. (in applying the doctrine of prosecution history estoppel, whether amendment should serve as a complete bar to claiming infringement by equivalency) (merits brief)

• Fin Control Systems Pty., Ltd. v. Surfco Hawaii (repair/reconstruction)
  (CVSG brief)

2002 Term

• Dastar Corp. v. Twentieth Century Fox Film Corp. (whether uncredited copying of a creative work constitutes a violation of the Lanham Act) (merits brief)

• Eldred v. Ashcroft (the constitutionality of the extension of copyright term for works already in existence) (merits brief)

• Dethmers Mfg. Co. v. Automatic Equipment Mfg. Co. (invalidity of a patent based on a court’s finding of a violation of a PTO procedural regulation, where the PTO found no violation; deference to the PTO’s interpretation of its own rules) (CVSG brief)

• So. Bldg. Code Congress Inc. v. Veeck (whether a private code-drafting organization has a copyright in building codes written by the organization, after they have been enacted as law) (CVSG brief)

• Micrel, Inc. v. Linear Tech. Corp. (whether the on-sale bar is triggered when
the patentee engages in significant efforts to commercialize the invention but does not make a formal offer to sell under general principles of contract law) (CVSG brief)

- **Monsanto v. Bayer CropScience, S.A.** (the availability of the bona fide purchaser defense to a patent sub-licensee) (CVSG brief)
- **Duke Univ. v. Madey** (common law experimental use defense to patent infringement) (CVSG brief)

2003 Term

- **K.P. Permanent Make-Up Inc. v. Lasting Impression, Inc.** (whether the fair use defense to trademark infringement requires proof of the absence of likely confusion) (merits brief)

2004 Term

- **Metro-Goldwyn-Mayer Studios Inc., v. Grokster, Ltd.** (copyright infringement and peer-to-peer file-sharing of music) (merits brief)
- **Independent Ink v. Illinois Toolworks** (antitrust issue of the propriety of presuming that a patentee has market power in a patented product) (merits brief)

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4Most recently, in August 2005, the government also responded to a CVSG in **LabCorp. v. Metabolite**, where the Supreme Court specifically requested the government’s views on the patentability of a diagnostic method that implicates a law of nature.
brief)

- **Merck KGAA v. Integra Lifesciences I, Ltd.** (§ 271(e)(1) FDA “safe harbor” infringement exemption) (CVSG and merits briefs)

- **Andrx Pharmaceuticals, Inc v. The Kroger Co.** (patent settlement and antitrust) (CVSG brief)

- **McFarling v. Monsanto Co.** (whether restrictions on sales constitute patent misuse) (CVSG brief)

- **Honeywell International, Inc v. Sundstrand Corp.** (whether rewriting dependent claim in independent form, combined with the cancellation of the antecedent independent claim, constitutes narrowing amendment for purposes of Festo) (CVSG brief)

Many of the government briefs filed by the Solicitor General can be accessed at [www.usdoj.gov/osg](http://www.usdoj.gov/osg). An excellent Internet resource that includes audio of oral arguments in many of the I.P. cases discussed in this paper is available from the Oyez Project at [www.oyez.org](http://www.oyez.org).

**Conclusion**

Although the Supreme Court has not dramatically increased its plenary review of patent cases, the number of CVSGs in patent cases, which has grown significantly in the past five years, and which is significantly more than in other
types of cases, seems to reflect the Supreme Court’s interest in, and recognition of
the importance of, patent law. Moreover, even in the wake of the creation of the
Federal Circuit, that the Supreme Court has continued to take patent cases on a
regular basis suggests that the Court will continue to play an important role in
shaping patent law. The Court’s use of CVSGs in patent cases, and the
consideration it has given to government merits briefs in patent cases, suggest that
the interested governmental entities such as the PTO will also, through the
Solicitor General, continue to play an important role in the development of patent
law by the Supreme Court.