This paper is focused upon (a) cases where certiorari has already been granted (♦) where the cases will be argued in the October 2016 Term with a decision likely in 2017 (and in any event before the Term ends in the last week of June 2017); and (b) current petitions with a higher than normal likelihood of grant (♦) which, if certiorari is granted, would be argued in the same October 2016 Term running until the end of June 2017.

Each case is ranked in the “2017?” column amongst the seven cases, while the rank in the overall Top Ten Cases List is ranked in the “Top 10 Rank” column.

It is expected that a decision whether to grant certiorari will be reached before the end of the current 2015 Term that concludes at the end of June. Additional cases may well be added to this list based upon future decisions of the Federal Circuit in the coming months.

This paper does not include Top Ten Cases which are at the Federal Circuit where there is no immediate prospect of a petition for certiorari.

**Recommended Citation:** Harold C. Wegner, *Top Seven Supreme Court Patent Cases that May be Decided in 2017* (May 20, 2016), available at “Wegner’s Writings” on the website of the Los Angeles Intellectual Property Law Association: [www.laipla.net/category/wegners-writings/](http://www.laipla.net/category/wegners-writings/)
(No. 1) Patent Exhaustion (Kirtsaeng; Quanta Computer)


Status: The Response to the Petition is due May 23, 2016 (once extended). A vote whether to grant certiorari is expected before the end of June before the end of the current Term. If certiorari is granted, the case would be briefed over the Spring and Summer; an oral argument would likely take place in late Fall or early Winter, with a merits decision before the end of June 2017.

Questions Presented: “The ‘patent exhaustion doctrine’—also known as the ‘first sale doctrine’—holds that ‘the initial authorized sale of a patented item terminates all patent rights to that item.’ Quanta Computer, Inc. v. LG Electronics, Inc., 553 U.S. 617, 625 (2008). This case presents two questions of great practical significance regarding the scope of this doctrine on which the en banc Federal Circuit divided below:

“1. Whether a ‘conditional sale’ that transfers title to the patented item while specifying post-sale restrictions on the article’s use or resale avoids application of the patent exhaustion doctrine and therefore permits the enforcement of such post-sale restrictions through the patent law’s infringement remedy.

“2. Whether, in light of this Court’s holding in Kirtsaeng v. John Wiley & Sons, Inc., 133 S. Ct. 1351, 1363 (2013), that the common law doctrine barring restraints on alienation that is the basis of exhaustion doctrine ‘makes no geographical distinctions,’ a sale of a patented article—authorized by the U.S. patentee—that takes place outside of the United States exhausts the U.S. patent rights in that article.”

Clearly, certiorari is never certain, but if ever a case called for grant of review, this case is it.

International Patent Exhaustion: Although the Kirtsaeng issue is the second Question Presented, this appears to have the greater appeal, given the sharp distinction between the Federal Circuit denial of international intellectual property exhaustion versus the Supreme Court grant of international intellectual property exhaustion in the context of copyright law.

Notwithstanding Kirtsaeng, the majority “adhere[s] to the holding of Jazz Photo Corp. v. International Trade Comm'n, 264 F.3d 1094 (Fed. Cir. 2001), that a U.S. patentee, merely by selling or authorizing the sale of a U.S.-patented article abroad, does not authorize the buyer to import the article and sell and use it in the United States, which are infringing acts in the absence of patentee-conferring authority.” Two members of the Court in dissent “would retain Jazz Photo insofar as it holds that a foreign sale does not in all circumstances lead to exhaustion of United States patent rights. But, in my view, a foreign sale does result in exhaustion if an authorized seller has not explicitly reserved the United States patent rights.” Lexmark, __ F.3d at __, slip op. at 101 (Dyk, J., joined by Hughes, J., dissenting).
Conditional Sales to Avoid Exhaustion: Notwithstanding *Quanta Computer, Inc. v. LG Electronics, Inc.*, 553 U.S. 617 (2008), the same majority “adhere[s] to [its] holding of *Mallinckrodt, Inc. v. Medipart, Inc.*, 976 F.2d 700 (Fed. Cir. 1992), that a patentee, when selling a patented article subject to a single-use/no-resale restriction that is lawful and clearly communicated to the purchaser, does not by that sale give the buyer, or downstream buyers, the resale/reuse authority that has been expressly denied. Such resale or reuse, when contrary to the known, lawful limits on the authority conferred at the time of the original sale, remains unauthorized and therefore remains infringing conduct under the terms of § 271.”

The same dissent “agree[s] with the government that *Mallinckrodt*, Inc. v. *Medipart, Inc.*, 976 F.2d 700 (Fed. Cir. 1992)], was wrong when decided, and in any event cannot be reconciled with the Supreme Court's recent decision in *Quanta Computer, Inc. v. LG Electronics, Inc.*, 553 U.S. 617 (2008). We exceed our role as a subordinate court by declining to follow the explicit domestic exhaustion rule announced by the Supreme Court.” *Lexmark, __ F.3d at __*, slip op. at 101 (Dyk, J., joined by Hughes, J., dissenting).

**Supreme Court Case for October 2016 Term – No. (II)**

◆ **(2) Section 101 Patent-Eligibility:** Is a method to determine the presence in a blood sample of a known substance (here, DNA) patent-eligible under 35 USC § 101 where that substance, as such, is known and not in any event patent-eligible?

**Current Case:** *Sequenom, Inc. v. Ariosa Diagnostics, Inc.*, Supreme Court No. 15-1182, *proceedings below sub nom Ariosa Diagnostics, Inc. v. Sequenom, Inc.*, 788 F.3d 1371 (Fed. Cir. 2015).

**Status:** A Response to the petition is due May 20, 2016 (once extended).

**Question Presented:** “Whether a novel method is patent-eligible where; (1) a researcher is the first to discover a natural phenomenon; (2) that unique knowledge motivates him to apply a new combination of known techniques to that discovery; and (3) he thereby achieves a previously impossible result without preempting other uses of the discovery.”

(The discussion, below, is a shortened version of a paper, *The Sequenom Certiorari Petition: Whither Patent-Eligibility?* (Feb. 19, 2016):
The law of patent-eligibility is in a state of flux with the important case involving the genetic testing method of Sequenom on the verge of a decision whether to grant certiorari in a case styled as Sequenom, Inc. v. Ariosa Diagnostics, Inc., Supreme Court No. 15-1182, proceedings below sub nom Ariosa Diagnostics, Inc. v. Sequenom, Inc., 788 F.3d 1371 (Fed. Cir. 2015). A response to the petition is due April 20, 2016, after which a vote whether to grant certiorari is expected before the end of June when the current Term ends.

A “Microscope” Invention to Identify a Known Substance: Like a “microscope” a blood test is a way of identifying the presence of material in a sample. Here, the claimed invention is “[a] method for detecting a paternally inherited nucleic acid[, i.e., DNA,] of fetal origin performed on a maternal serum or plasma sample from a pregnant female ***.” The DNA, per se, is known and thus unpatentable, but, in any event, it is the object of identification of the DNA in the sample of the claimed invention. Grant of a patent would thus not preclude any method of making or using the DNA.

A Method to Identify a Known DNA that does not Claim the DNA: Patent-eligibility involving microorganism inventions has not even been in controversy where the microorganism is not claimed nor is there a composition claimed involving the microorganism. In re Bergy, 596 F.2d 952, 976-77 (CCPA 1979)(Rich, J.), aff’d as to Chakrabarty sub nom Diamond v. Chakrabarty, 447 U.S. 303 (1980)(citing Cochrane v. Deener, 94 U.S. 780 (1876); Risdon Iron & Locomotive Works v. Medart, 158 U.S. 68 (1895); Cameron Septic Tank Co. v. Village of Saratoga Springs, 159 F. 453 (2nd Cir. 1908); Dick v. Lederle Antitoxin Laboratories, 43 F.2d 628 (S.D.N.Y.1930))([The Patent Office] contends that the [microorganism] invention of the Weizmann patent is unpatentable since it is for the life process of a living organism. Were the patent for bacteria per se, a different situation would be presented. As before stated, the patent is not for bacteria per se. It is for a fermentation process employing bacteria discovered by Weizmann under conditions set forth in the specification and claims. Undoubtedly there is patentable

* Claim 1: “A method for detecting a paternally inherited nucleic acid of fetal origin performed on a maternal serum or plasma sample from a pregnant female, which method comprises [(a)] amplifying a paternally inherited nucleic acid from the serum or plasma sample and [(b)] detecting the presence of a paternally inherited nucleic acid of fetal origin in the sample.”
subject-matter in the invention.”)(original emphasis). Patent-eligibility was denied in Funk v. Kalo because the product was claimed, as distinguished from a patent-eligible method of testing. Funk Bros. Seed Co. v. Kalo Inoculant Co., 333 U.S. 127, 130 (1948)(citing Telephone Cases, 126 U.S. 1, 532, 533 (1888); De Forest Radio Co. v. General Electric Co., 283 U.S. 664, 684, 685 (1931); Mackay Radio & Tel. Co. v. Radio Corp., 306 U.S. 86, 94 (1939); Cameron Septic Tank Co. v. Saratoga Springs, 159 F. 453, 462, 463 (2nd Cir. 1908.) (“We do not have presented the question whether the methods of selecting and testing the non-inhibitive strains are patentable. We have here only product claims. ***. If there is to be invention [here], it must come from the application of the law of nature to a new and useful end.”)

Claims to Identify DNA in a Sample do not Implication § 101: It has never before been seriously suggested that a method of several process steps to identify DNA lacks patent-eligibility. See Schering Corp. v. Amgen, Inc., 18 F.Supp.2d 372, 387 (D. Del. 1998) (“hybridization was used in this invention to identify DNA segments structurally similar to both RNA segments and DNA segments found to code on expression for proteins with the anti-viral characteristics of interferon.”). It also cannot be seriously contemplated that a method of testing for DNA in a civil litigation could be denied patent-eligibility, a daily occurrence. See Franson v. Micelli, 645 N.E.2d 404, 411 (Ill. App. 1 Dist. 1994)(paternity suit) (“The procedures used to ‘match’ or ‘identify’ DNA strands...”); see also Allen v. State of Florida, 62 So.3d 1199, 1200 (Fla. App. 2011)(criminal lawsuit) (“[H]er lab uses the polymerase chain reaction (PCR) process to identify DNA.”); State of Utah v. Maestas, 2012 UT 46, ¶ 124 (Utah S.Ct. 2012)(PCR evidence to sustain capital murder conviction) (“[Expert witness] Dr. Wrigley testified that the Y-STR DNA analysis uses the same process and technology to extract, amplify, and identify DNA that is generally employed with polymerase chain reaction (PCR) STR DNA tests. *** Dr. Wrigley testified that because all males in the same paternal lineage have the same forensic markers, *** the Y-STR analysis indicates whether an individual and all of his paternal relatives can be excluded as possible contributors as the source of a DNA sample.”); People v. Golub, 601 N.Y.S.2d 502, 503 (N.Y.A.D. 2 Dept. 1993)(second degree murder conviction) (“The bloodstains were tested using a then relatively new scientific technique known as ‘DNA fingerprinting.’”).

An “Adams Battery” Combination Invention: The invention is a combination invention, including all of its elements in the combination of the claim that is to be evaluated for patent-eligibility and nonobviousness: The claim is not to be
dissected element by element. As explained in the Adams Battery case, “it is fundamental that claims are to be construed in the light of the specifications and both are to be read with a view to ascertaining the invention.” United States v. Adams, 383 U.S. 39, 48-49 (1966)(citing Seymour v. Osborne, 78 U.S. (11 Wall.) 516, 547 (1871); Schriber-Schroth Co. v. Cleveland Trust Co., 311 U.S. 211, 312 U.S. 654 (1940); Schering Corp. v. Gilbert, 153 F.2d 428 (2nd Cir. 1946)).

As explained in the Adams Battery case, United States v. Adams, 383 U.S. 39, 48-49 (1966): “While the claims of a patent limit the invention, and specifications cannot be utilized to expand the patent monopoly, Burns v. Meyer, 100 U.S. 671, 672 (1880); McCarty v. Lehigh Valley R. Co., 160 U.S. 110, 116 (1895), it is fundamental that claims are to be construed in the light of the specifications and both are to be read with a view to ascertaining the invention, Seymour v. Osborne, 78 U.S. (11 Wall.) 516, 547 (1871); Schriber-Schroth Co. v. Cleveland Trust Co., 311 U.S. 211, 312 U.S. 654 (1940); Schering Corp. v. Gilbert, 153 F.2d 428 (2nd Cir. 1946).”

**Borrowing Mayo Dictate to Create a Conflict with Established Law:** Taking *dicta* from Mayo, in vacuo, leads to an unnecessary conflict within the case law of the Supreme Court that has uniformly required consideration of the invention as a whole, “all elements” of the claimed invention in their combination defined by the patentee. In the context of patent infringement, the cases repeatedly spoke of the judicial requirement to construe the subject matter under the “all elements” rule. There is a rich history of precedent more from more than one hundred years ago that established the rule that was established by Justice Story. See Barrett v. Hall, 2 F.Cas. 914, 924 (No. 1047)(D. Mass. 1818)(Story, J., riding circuit)(“the patent [is] for the combination only[;] it is no infringement of the patent to use any of the machines separately, if the whole combination be not used; for in such a case the thing patented is not the separate machines, but the combination; and the statute gives no remedy, except for a violation of the thing patented.”); see also Prouty v. Draper, 20 F.Cas. 11, 12 (No. 11,446) (D. Mass. 1841)(Story, J.; riding circuit), aff’d, 41 U.S. (16 Pet.) 336 (1842)(Taney, C.J.) (“The plaintiffs' patent is for an entire combination of all the three things, and not for a combination of any two of them. A patent for a combination of A, B and C, cannot be technically or legally deemed at once a combination of A, B and C, and of A and B alone.”); Eames v. Godfrey, 68 U.S. (1 Wall.) 78, 79 (1864)(“[T]here is no infringement of a patent which claims mechanical powers in combination unless all the parts have been substantially used. The use of a part less than the whole is no infringement.”); Water-Meter Co. v. Desper, 101 U.S. (11 Otto) 332, 335-37 (1879)(“It is a well-
known doctrine of patent law, that the claim of a combination is not infringed if any of the material parts of the combination are omitted. ***”).


The Aberrant Flook Case: To the extent that Parker v. Flook, 437 U.S. 584 (1978), stands for the proposition that one may dissect a claim into its constituent elements to determine patent-eligibility based upon the patent-eligibility of one of the components, Flook was cabined by Diamond v. Diehr, 450 U.S. 175 (1981).

In Diehr the Court expressly stated that “[i]n determining the eligibility of [the patent applicants’] claimed process for patent protection under § 101, their claims must be considered as a whole. It is inappropriate to dissect the claims into old and new elements and then to ignore the presence of the old elements in the analysis.” Diehr, 450 U.S. at 188.

Misapplication of the Law of the Mayo Case: In voting to deny rehearing en banc in Ariosa, the second most senior active member of the Federal Circuit who has been on the bench for twenty-five years manifests a misunderstanding of precedent in the following passage: “In Mayo Collaborative Services v. Prometheus Laboratories, Inc., 132 S. Ct. 1289 (2012), the Supreme Court set forth a framework for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” Ariosa Diagnostics, Inc. v. Sequenom, Inc. __ F.3d __, ___(Fed. Cir. Dec. 2, 2015)(Lourie, J., joined by Moore, J., concurring in den. reh’g en banc). Precisely. Mayo deals with claims to “laws of nature, natural phenomena”, but the invention, here, has no such claim.
(3) Design patent infringement; damages keyed to component

Current Case: Samsung Electronics Co., Ltd. v. Apple Inc., No. 15-777
opinion below, Apple Inc. v. Samsung Electronics Co., Ltd., __ F.3d __ (Fed. Cir. May 18, 2015)(Prost, C.J.), asks whether design patent damages should be limited to profits attributable to a component of a patented design, where the design is applied to only that component.

Status: The case will be briefed over the coming months and then argued during the October 2016 Term with a decision before the Term finishes at the end of June 2017. (Petitioner’s brief is due June 1, 2016; Respondent’s brief is due July 29, 2016.)

Certiorari was granted March 21, 2016, but only as to the second Question Presented. The case will be briefed in the coming months with a Fall or early Winter argument and a decision in the Term that expires at the end of June 2017.

Questions Presented: “***The [Federal Circuit] held that a design-patent holder is entitled to an infringer’s entire profits from sales of any product found to contain a patented design, without any regard to the design's contribution to that product's value or sales. The *** effect of [this holding] is to reward design patents far beyond the value of any inventive contribution. The questions presented are:

2. Where a design patent is applied to only a component of a product, should an award of infringer's profits be limited to those profits attributable to the component?”

A Damages Pandora’s Box for “Regular” Patents: If the Court determines that a particular feature of the patented design is responsible for the success of the infringing product and it accounts for, say, ten percent of the profits, what lesson would a ruling limiting the design patentee to ten percent of the profits in this case have on “regular” patent infringement cases?

Opening the Door to Future Design Patent Grants of Certiorari: One reason why design patents have not been accepted for review by the Supreme Court is
because the Court may have been reluctant to grant certiorari in an area of law unfamiliar to the members of the Court. This situation is now dramatically changed with *Samsung Electronics v. Apple* providing a “tutorial” to the Supreme Court on design patent law. What’s next?

**Historic First Grant of Certiorari in a Design Patent Case:** Never since the Evarts Act of 1891 gave the Court discretion whether to accept an appeal has the Court previously issued a merits decision on design patent law. The leading design patent case came a generation before the Evarts Act in *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511 (1871), where an appeal could be taken directly from the trial court as a matter of right. (To be sure, discussion of design patent law is found in *dictum* in *Mazer v. Stein*, 347 U.S. 201, 215-16 (1954)(copyright case discussing design patents)(“ *Gorham Co. v. White*, 81 U.S. (14 Wall.) 511 (1871), interpret[s] the design patent law of 1842, 5 Stat. 544, granting a patent to anyone who by 'their own industry, genius, efforts, and expense, may have invented or produced any new and original design for a manufacture * * *.’ A pattern for flat silver was there upheld. The intermediate and present law differs little. 'Whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, * * *' subject generally to the provisions concerning patents for invention. § 171, 66 Stat. 805, 35 U.S.C.A. § 171.’”)(footnote omitted).

**Federal Circuit Activity in Design Patents:** To be sure, the Federal Circuit has had a major *en banc* review of a design patent issue. *See Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 665 (Fed. Cir. 2008)(en banc)(Bryson, J.).

(i) **Sham “Consolidation” Rule:** But, the right to “consolidate” parallel reexamination and other post-grant review proceedings is an entirely theoretical right in the sense that the PTAB has never granted “consolidated” proceedings. Thus, the PTAB has never exercised its “consolidation” authority under 35 U.S.C. 315(d), 37 C.F.R. 42.122(a). As Cuozzo points out in its opening merits brief to the Supreme Court, "[t]he Government has not pointed to a single instance in which the Board has consolidated an IPR with a reexamination or reissue proceeding.” Cuozzo Br. at 44 (emphasis added). The issue is important in the pending Supreme Court case because the PTO and the Federal Circuit have both
cited the possibility of a consolidated reexamination/IPR proceeding as a justification for the "broadest reasonable interpretation” standard in IPR. See id.

(ii) Double Patenting in a Consolidated Proceeding: One of the implications of the sham practice is that whereas the PTAB in Apple Inc. v. SightSound Technologies, LLC, CBM2013-00021, slip op. at 23-25 (PTAB 2013)(Arbes, APJ), has denied consideration of double patenting in a Covered Business Method (CBM) proceeding, suggesting the same result in a post-grant review under the Leahy Smith America Invents Act, a patent challenger in an ex parte reexamination is permitted bring such a challenge. It makes no sense to deny consolidation in such a case.

Supreme Court Case for October 2016 Term – No. (IV)

♦ (6) Laches, Federal Circuit case law


Status: Certiorari granted May 2, 2016. Merits briefing in the coming months with argument in the October 2016 Term, with a decision before the end of June 2017.

Split En Banc Opinion interpreting Petrella: The 6-5 en banc majority opinion split the court between a majority opinion of Prost, C.J. (joined by Newman, Lourie, Dyk, O’Malley, Reyna, JJ.), and an opinion by Hughes, J. (joined by Moore, Wallach, Taranto, Chen, JJ., concurring-in-part and dissenting-in-part).

The majority opinion explains that the en banc court was convened “to resolve whether, in light of the Supreme Court's recent decision in Petrella v. Metro-Goldwyn-Mayer, Inc., 134 S. Ct. 1962 (2014), laches remains a defense to legal relief in a patent infringement suit. We conclude that Congress codified a laches defense in 35 U.S.C. § 282(b)(1) that may bar legal remedies. Accordingly, we have no judicial authority to question the law's propriety. Whether Congress
considered the quandary in *Petrella* is irrelevant—in the 1952 Patent Act, Congress settled that laches and a time limitation on the recovery of damages can coexist in patent law. We must respect that statutory law.”

**Implications**: No matter the outcome, *SCA Hygiene* is a black eye for the Federal Circuit as a court established to provide a uniform body of case law in the patent field. It reaches a conclusion as to laches that differs from *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 134 S.Ct. 1962 (2014)(copyright law) and does so in badly split *en banc* decision with a six vote majority opinion (Prost, C.J., joined by Newman, Lourie, Dyk, O’Malley, Reyna, JJ.) balanced by a five vote minority opinion (Hughes, J., joined by Moore, Wallach, Taranto, Chen, JJ., concurring in part, dissenting in part).

The majority ruled that “laches remains a defense to legal relief in a patent infringement suit after *Petrella [v. Metro-Goldwyn-Mayer, Inc.,* 134 S.Ct. 1962 (2014)]. Laches bars legal relief, and courts must weigh the facts underlying laches in the *eBay* framework when considering an injunction. However, absent extraordinary circumstances, laches does not preclude an ongoing royalty.”

The dissent disagreed with “the majority [which] adopts a patent-specific approach to the equitable doctrine of laches. In doing so, the majority overlooks Congress’ intent and Supreme Court precedent, which demonstrate that laches is no defense to a claim for damages filed within the statutory limitations period established by 35 U.S.C. § 286.”


“2. Whether the Federal Circuit erred in holding that supplying a single, commodity component of a multi-component invention from the United States is an infringing act under 35 U.S.C. § 271(f)(1), exposing the manufacturer to liability for all worldwide sales.”

CVSG Recommendation to Grant Review Limited to the Second Question: The Solicitor General in his CVSG brief, filed May 11, 2016, recommends grant of review, but *only* as to the second *Question Presented*.

Prior Case Law: Contributory infringement was spawned more than 140 years ago in *Wallace v. Holmes*, 29 F.Cas. 74 (No. 17,100) (CC Conn.1871), as a court-fashioned way for a patentee to sue a third party who supplies a component of the patented invention to numerous third parties, because it would be impossible or next to impossible as a practical matter to sue each of the individual direct infringers. There has never been a prior appellate holding of active inducement other where a third party is induced to infringe.

Implications: This case represents yet another bold stroke by the Federal Circuit to expand the scope of American patent rights to cover extraterritorial activity.
**Current Case:** Cooper v. Lee, Supreme Court No. 15-955, presents a serious Constitutional direct or implicit challenge to post-grant review procedures at the Patent Office, here, in the context of Inter Partes Review.

**Status:** Awaiting Conference. On April 26, 2016, the case was scheduled for Conference on May 12, 2016. On May 2, 2016, the docket entry is “Rescheduled”.

**Amicus Speaks, the Greenspoon-Dhuey team:** Complementing petitioner’s brief from the pen of Robert P. Greenspoon, is the joint effort of two independent thinkers, practitioner-scholar Andrew J. Dhuey and Professor Adam Mossoff in their filing styled as the Brief Of Professor Adam Mossoff as Amicus Curiae in Support of Petitioners (keyed to the thoughtful academic work of the coauthor, Adam Mossoff, Patents as Constitutional Private Property: The Historical Protection of Patents under the Takings Clause, 87 B. U. L. Rev. 689 (2007); Adam Mossoff, Exclusion and Exclusive Use in Patent Law, 22 Harv. J. L. & Tech. 321 (2009)).


**Question Presented:** Nearly 30 years have passed since this Court last applied Article III Separation of Powers principles to declare the authority of Congress to empower an executive agency to adjudicate a private dispute. More recently in a non-agency context, in Stern v. Marshall, 131 S. Ct. 2594 (2011), Justice Scalia’s concurring opinion questioned the “multifactors relied upon today [that] seem to have entered our [public rights] jurisprudence almost randomly.” Id. at 2621 (Scalia, J., concurring). The two other Stern opinions (majority and dissent) have all members of this Court expressing dissatisfaction with the clarity of Article III public rights jurisprudence: either it “has not been entirely consistent,” id. at 2611 (majority), or preceding cases “do not admit of easy synthesis.” Id. at 2624 (dissent) (citation omitted). Congress continues to pass laws against this murky backdrop, risking inappropriate expansion of the administrative state.
“The question presented is whether 35 U.S.C. §318(b) violates Article III of the United States Constitution, to the extent that it empowers an executive agency tribunal to assert judicial power canceling private property rights amongst private parties embroiled in a private federal dispute of a type known in the common law courts of 1789, rather than merely issue an advisory opinion as an adjunct to a trial court.”

A Unique United States Perspective: Grant of the petition coupled with a merits success by petitioner would cast the United States as odd man out amongst the major patent granting authorities of the world as, for example, a European Patent can be challenged in a vigorous patent office proceeding in the nine months following grant and a similar right is available in Japan.

“Death Squads” Déjà vu: The words of the former Chief Judge could yet come back to haunt the appellate court. In a 2003 rant, the former Chief Judge dubbed the Patent Trial and Appeal Board as being “patent death squads”. It has since been popular to characterize Federal Circuit invalidity jurisdiction over patents in IPR proceedings as decidedly anti-patentee. Some refer to cases with as few as one of many claims being invalidated as counting as invalidation of the patent, while at most modest attention has been given to the reality that many patent challengers are reluctant to use the IPR procedure unless they have a rock solid case.

Supreme Court Case for October 2016 Term – No. (VII)

(9) Constitutionality of IPR


**Piggybacking Off Top Ten No. 8, Cooper v. Lee:** The timing of this case is behind Cooper v. Lee. It is therefore likely that if certiorari is granted in Cooper v. Lee that this case will be held for a Conference following a merits decision in Cooper v. Lee (where, should petitioner in that case be successful on the merits, the court would grant, vacate and remand (GVR) in MCM Portfolio.

**Goldstein on Patents:** Petitioner is represented by the well known Supreme Court advocate, Thomas Goldstein, who has previously been lead counsel in patent cases, *F. Hoffmann-La Roche Ltd v. Empagran S.A.*, 542 U.S. 155 (2004), *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398 (2007).

**From the Opinion Below:** “The Seventh Amendment provides that, ‘[i]n Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved . . . .’ U.S. Const. amend. VII. The Supreme Court has stated that ‘the Seventh Amendment is generally inapplicable in administrative proceedings, where jury trials would be incompatible with the whole concept of administrative adjudication and would substantially interfere with [the agency's] role in the statutory scheme.’ *Curtis v. Loether*, 415 U.S. 189, 194 (1974),] upheld ‘congressional power to entrust enforcement of statutory rights to an administrative process or specialized court of equity free from the structures of the Seventh Amendment.’ *Id.* at 195. Similarly, the Court held in *Atlas Roofing Co., Inc. v. Occupational Safety & Health Review Commission*, 430 U.S. 442, 455 (1977), that ‘when Congress creates new statutory 'public rights,' it may assign their adjudication to an administrative agency with which a jury trial would be incompatible, without violating the Seventh Amendment's injunction that jury trial is to be 'preserved' in 'suits at common law.' Congress is not required by the Seventh Amendment to choke the already crowded federal courts with new types of litigation or prevented from committing some new types of litigation to administrative agencies with special competence in the relevant field.’ *See also Tull v. United States*, 481 U.S. 412, 418 n.4 (1987) (“[T]he Seventh Amendment is not applicable to administrative proceedings.’). Here, when Congress created the new statutory right to inter partes review, it did not violate the Seventh Amendment ***.” *MCM Portfolio LLC v. Hewlett-Packard Co.*, __ F.3d __, slip op. at 14-15 (Fed. Cir. Dec. 2, 2015)(Dyk, J.).
About the Author

HAROLD C. WEGNER is President of The Naples Roundtable, a 501(c)3 nonprofit corporation with a mission to “explor[e] ways to strengthen and improve the patent system”. It features an annual patent experts conference and other activities as explained on its website, https://www.thenaplesroundtable.org/

Professor Wegner is a former Patent Examiner who recently concluded a more than twenty year relationship with the George Washington University Law School where he had been Director of the Intellectual Property Law Program and Professor of Law.

contact info:

Harold C. Wegner
Patent Expert Consultant
8805 Tamiami Trail North-PMB-150
Naples, Florida 34108
hwegner@gmail.com