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A Question of Deference: Contrasting the Patent and Trademark Jurisdiction of the Federal Circuit

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I. Introduction

The creation of the United States Court of Appeals for the Federal Circuit has been described as “the most significant and innovative structural alteration in the federal intermediate appellate tier since its establishment.”¹ By some measures, it has the broadest jurisdiction of any Court in the United States, save the Supreme Court. In addition to a diverse field of subject-matter jurisdiction,² it is the only court of appeals whose reach knows no geographic limitations.³

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In the areas committed to its exclusive subject-matter jurisdiction, it not only lacks competing views from other circuits, but as a practical matter has frequently set down the final word for the nation.\textsuperscript{4}

The legislation establishing the Federal Circuit thoroughly details the various actions directed to the jurisdiction of this new body,\textsuperscript{5} but does not explicitly set forth conflict-of-law principles proscribing how the Federal Circuit should relate to other circuit courts. When deciding appeals brought from the United States district courts, the Federal Circuit has opted to

\textsuperscript{4} See United States Court of Appeals for the Federal Circuit: Petitions for Writ of Certiorari to the U.S. Supreme Court from Federal Circuit Cases, available at http://www.cafc.uscourts.gov/pdf/6%20Petitions%20for%20Writ%20of%20Certiorari%20to%20SupCt.pdf (last visited April 7, 2009) (illustrating that, of the approximately 1,500 cases decided by the Federal Circuit each year on average, approximately 100 are followed by a petition for writ of certiorari to the Supreme Court, and fewer than ten are typically heard by the Supreme Court; see also Arthur J. Gajarsa and Lawrence P. Cogswell, III, The Federal Circuit and the Supreme Court, 55 AM. U.L. REV. 821, 822 (2006) (noting that only four patent cases were taken by the Supreme Court on certiorari “during the first twelve years of the Federal Circuit’s existence”); Debra D. Peterson, Can This Brokered Marriage Be Saved? The Changing Relationship Between the Supreme Court and the Federal Circuit in Patent Law Jurisprudence, 2 J. MARSHALL REV. INTELL. PROP. L. 201 (2003) (“The early part of the Federal Circuit’s life may be viewed as its “honeymoon” period with the Supreme Court. The Supreme Court rarely reviewed patent decisions from the Federal Circuit, and those it did review were generally given extreme deference.”); Bernd G. Janzen, Area Summary: International Trade Decisions of the Federal Circuit: Three Years of Rigorous Review, 52 AM. U.L. REV. 1027, 1130 n. 6 (2003) (“Review of international trade decisions by the Supreme Court is very rare, so as a practical matter, final disposition of an international trade dispute arising under U.S. law is virtually always by the Federal Circuit...”). Specific discussion of Supreme Court review of the non-patent cases decided by the Federal Circuit is more difficult to find, possibly because of the perceived greater legal drama evoked by Supreme Court review of Federal Circuit patent decisions.

defer to the regional circuits with respect to most matters not within the exclusive jurisdiction of the Federal Circuit. While the Federal Circuit has articulated a number of arguments demonstrating the general wisdom of this policy, the exercise of deferral on a substantial number of trademark matters is arguably unnecessary, given the particular mandate of the Federal Circuit to decide such matters in appeals from the Trademark Trial and Appeals Board ("TTAB"), and the United States International Trade Commission ("ITC").

II. Origin and mandate of the Federal Circuit

The Federal Circuit was established on April 2, 1982, and became effective on October 1 of that year. It was formed by the merging together of the then-existing Court of Customs and Patent Appeals ("CCPA") with the appellate division of the Court of Claims, and supplementing the jurisdiction of those bodies with several additional areas of jurisdiction. Chief among these new areas was the jurisdiction to review appeals from United States district court cases in which a patent claim was brought. This underscores one of the chief reasons for which

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6 See Section III., infra, for discussion of the deference flowing from the Federal Circuit to regional circuits on matters outside the legislative mandate of the Federal Circuit.

7 See Section V. A. 1., infra, for discussion of the jurisdiction exercised by the Federal Circuit over the TTAB.

8 See Section IV. A. 3., infra, for discussion of the jurisdiction exercised by the Federal Circuit over the ITC.


11 See Section IV. A. 1., infra, for discussion of the jurisdiction exercised by the Federal Circuit over the United States district courts.
the Federal Circuit was created – to bring uniformity to a theretofore fractured area of law under its legislative mandate, the law of patent. Uniformity has also been cited as a basis for vesting the court with exclusive jurisdiction over claims brought under the “Little Tucker Act.” However, these are but two of the numerous types of actions which fall under the exclusive jurisdiction of the Federal Circuit. The national reach of the Federal Circuit is expressed not only in its exclusive jurisdiction over the aforementioned matters arising in district courts, but in its jurisdiction over certain lower federal courts which have themselves been vested with exclusive national jurisdiction over the causes of action within their bailiwick.

III. Deference flowing to and from the Federal Circuit

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13 § 1295(a)(2) (confer jurisdiction to the Federal Circuit over appeals from district court decisions where the jurisdiction of the district court is “based, in whole or in part, on section 1346[(a)(2)] of this title”).

14 See generally 28 U.S.C. § 1295 (granting exclusive jurisdiction over appeals from, inter alia, final decisions of the United States Court of International Trade (part 5), from certain final determinations of the United States International Trade Commission (part 6), from a final order or final decision of the Merit Systems Protection Board (part 9), from certain final decisions rendered pursuant to section the Contract Disputes Act of 1978 (part 10), the Economic Stabilization Act of 1970 (part 11), the Emergency Petroleum Allocation Act of 1973 (part 12), the Natural Gas Policy Act of 1978 (part 13), and the Energy Policy and Conservation Act (part 14)).

15 See Sections IV. A. 3. and IV. A. 4., infra, for discussion of the exclusive national jurisdiction of the Court of International Trade, and the Court of Federal Claims, respectively.
The Federal Circuit has, over the course of its history, disposed of over 40,000 cases.\textsuperscript{16} Given the unique authority of the Federal Circuit in deciding cases in specific areas, it is logical to suppose that other Circuits addressing cases falling within these areas would give a good deal of deference to the jurisprudence of the Federal Circuit in these areas. While the Federal Circuit is formally designated as an equal to the twelve other circuit courts, empirical reporting of the influence of the Federal Circuit among its sister circuits has not been developed. It is quixotically difficult to gauge the degree to which other circuits defer to the Federal Circuit’s determinations on the matters for which the Federal Circuit could claim the greatest authority to develop the law. It is in these areas, after all, that the Federal Circuit has exclusive (or, as it turns out, almost exclusive)\textsuperscript{17} jurisdiction, leaving the regional circuits with virtually no opportunity to express an opinion one way or the other. The exclusivity of this jurisdiction also reduces the likelihood of Federal Circuit opinions being reviewed and reversed, as there can be no circuit splits requiring resolution by the Supreme Court.\textsuperscript{18}

A. The determination to defer on non-patent matters

In addressing claims in areas beyond its primary jurisdiction, the Federal Circuit generally defers to the law of the regional circuit from which the case arose. Such deference is not mandated by the court’s originating legislation, and appears to come instead from the

\textsuperscript{16} United States Court of Appeals for the Federal Circuit: Historical Caseload (hereinafter “Caseload”), available at \url{http://www.cafc.uscourts.gov/pdf/HistCaseloadOverall83-08LineChart.pdf} (last visited April 6, 2009).

\textsuperscript{17} See Section IV. B. 2., \textit{infra}, for discussion of the \textit{Vornado} exception to the exclusive jurisdiction of the Federal Circuit over appeals of patent claims.

\textsuperscript{18} The Supreme Court has, in the past, taken appeals from the Federal Circuit to resolve differences between the decisions of the Federal Circuit and the opinions of the regional circuits rendered prior to the establishment of the Federal Circuit. There is little likelihood that such divergences will exist going forward.
sensibility of the court’s members. The court has acknowledged the potential detriment of this approach, that adopting regional circuit law on matters beyond its mandate may cause it to “reach disparate results.”

The rationale for adopting this practice despite such potential disparity is set forth in a number of decisions reiterated under *Atari, Inc. v. JS&A Group.* First, adopting the law of the regional circuits for non-patent matters avoids self-appropriation – the plaintiff can not, by including a patent claim in the complaint, escape the law of the regional circuit as to non-patent-related matters in the complaint. The Federal Circuit was thus responsive to the concern raised by Congress that it “would not appropriate or usurp for itself a broad guiding role for the district courts beyond its mandate to contribute to uniformity of the substantive law of patents, plant variety protection, and the Little Tucker Act.” Second, this policy is more equitable for district court judges, who should not be called upon to anticipate

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Although the adoption of this policy could on occasion require this court to reach disparate results in procedural matters in light of disparate viewpoints from the regional circuit courts, it is nonetheless preferable for the twelve judges of this court to handle such conflicts rather than for countless practitioners and hundreds of district judges to do so. The task of deciding issues in light of different laws is no worse than the existing duty of federal judges to decide diversity cases or pendent state matters in view of state law. Reviewing pendent matters in light of state law is part of this court’s jurisprudence.

20 747 F.2d 1422 (Fed. Cir. 1984).

21 The same could be said of a plaintiff including a claim under the Little Tucker Act, although such a claim would only be applicable in non-tax actions brought against the United States government, and claiming damages of less than $10,000. In short, the addition of such claims for the purposes of manipulation of jurisdiction are highly unlikely.

22 *Id.* at 1438.
parsing two sets of law based on the presence or absence in the complaint of a cause of action invoking the jurisdiction of the Federal Circuit.\textsuperscript{23}

Clearly, the Federal Circuit has given and continues to give deference to the regional circuits on matters for which the law of the regional circuits would be most applicable, and should reasonably be expected to receive deference in the same vein. It might be argued that where the interpretations of state law or local rules are not implicated, the Federal Circuit ignores a higher duty to the law by simply adopting the law of the regional circuit. Such an exercise deprives the court of the ability to arrive at its own determination of how federal statutes and doctrines ought to be interpreted. However, the countervailing rationales underlying the grant of deference go to the very heart of the healthy operation of the judicial system, and therefore substantially outweigh any argument that the Federal Circuit should effectively trump its own mandate. It might also be countered that the task is made no easier by the deference granted; discovering and appropriately applying the law as previously determined by the regional circuit to subtly distinguishable facts can be a task more arduous than simply deciding in the first instance how the law ought to be interpreted.

The rationale set forth in \textit{JS&A Group} is one of several explanations for the adoption of this level of deference. In addition to avoiding forum-shopping effected by clever drafting, and not imposing multiple masters on the district courts, it embodies a common sense recognition of the longstanding experience of the regional circuits in dealing with the matters common to their jurisprudence, particularly in adjudicating state law claims arising within their area of geographic coverage. Judge Easterbrook has proposed that “[t]he regional circuits are better situated than the

\textsuperscript{23} \textit{Id., citing} Panduit Corp. v. All States Plastic Manufacturing Co., Inc., 744 F.2d 1564, 1574 (Fed. Cir. 1984), Bandag, Inc. v. Al Bolser’s Tire Stores, Inc., 750 F.2d 903, slip op. at 9, (Fed. Cir. 1984).
Federal Circuit to mull over questions of local law; ‘uniformity’ interests cut in favor of
distributing state law issues to courts with geographic jurisdiction, even as they support central
handling of patent questions.”

A more subtle contributing factor might be the anticipation of a
degree of reciprocity. By acknowledging the mastery of the regional circuits over the local law
within their bailiwick, the Federal Circuit may signal an expectation that its mastery of its own
jurisdiction should be recognized by the regional circuits. Because of its early adoption of a
position of deference on matters not committed to its jurisdiction, neither the Federal Circuit nor
the Supreme Court has had the opportunity to test the prudential or constitutional bounds of the
Federal Circuit’s authority to decide such matters.

B. A twilight zone of deference as to law closely related to patent

There is one important exception to this doctrine: the Federal Circuit has determined that
it will not defer to the regional circuits where it is called upon to decide certain matters that are
closely related to patent law, even if the matters thus decided do not fall within the realm of the
questions on which the jurisdiction of the court itself is based. Where “the issue pertains to or is
unique to patent law,” the Federal Circuit has stated, “we will apply our own law to both
substantive and procedural issues ‘intimately involved in the substance of enforcement of the
patent right.’” This exception has led to criticism that the Federal Circuit’s choice-of-law

24 851 F.2d at 966.

25 Ted L. Field, Improving the Federal Circuit’s Approach to Choice of Law for Procedural

26 Advanced Cardiovascular Sys. v. Medtronic, 265 F.3d 1294, 1303 (Fed. Cir. 2001) (quoting
Flex-Foot, Inc. v. CRP, Inc., 238 F.3d 1362, 1365, 57 U.S.P.Q.2D (BNA) 1635, 1637 (Fed. Cir.
2001).
determination in the abstract lacks predictable standards of applicability, and in practice has been applied to procedural matters inconsistently.

With respect to substantive law, in Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc., the Federal Circuit applied its own law in deciding that inequitable conduct during the prosecution of a patent did not give rise to a claim of unfair competition under the Lanham Act. It did so as well in Nobelpharma AB v. Implant Innovations, Inc., determining en banc that a jury had sufficient evidence to find that the patent owner’s conduct was sufficient to strip it of its patent immunity and expose it to antitrust liability. In another en banc case, Midwest Industries, Inc. v. Karavan Trailers, Inc., the Federal Circuit enunciated:

[O]ur responsibility as the tribunal having sole appellate responsibility for the development of patent law requires that we do more than simply apply our law to questions of substantive patent law. In order to fulfill our obligation of promoting uniformity in the field of patent law, it is equally important to apply our construction of patent law to the questions whether and to what extent patent law preempts or conflicts with other causes of action.

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27 Field, supra note 25 at 652.

28 Id.

29 75 F.3d 1568 (Fed. Cir. 1996).

30 Id. at 1575.


32 Id. at 1072. See also CSU, L.L.C. v. Xerox Corp. (In re Independent Serv. Orgs. Antitrust Litig.), 203 F.3d 1322 (Fed. Cir. 2000) (applying Federal Circuit law to determine that a patent owner did not violate antitrust law by refusing to continue to license a former client that had become dependent on technology covered by the patents owned).

33 175 F.3d 1356 (Fed. Cir. 1999) (en banc).

34 Id. at 1360.
Noting that this position presented the danger of burdening the district courts with conflicting lines of authority, the Federal Circuit nonetheless determined that its patent mandate directed it to “play a leading role in fashioning the rules specifying what patent law does and does not foreclose by way of other legal remedies.”35 The case itself recognized “the interaction between patent law principles and trade dress protection,”36 denying that a sharp dividing line could be drawn between what can be protected as trade dress, and what is amenable only to patent protection. Although this outcome was later overruled by the Supreme Court in an unrelated case,37 the determination remains important both for its recognition of the relationship between these areas, and for its consequent application of Federal Circuit law, rather than regional circuit law, to the trade dress question at issue.

IV. Patent jurisdiction: (almost) no room for another view

The Federal Circuit’s most celebrated function is likely its patent jurisdiction,38 even though patent cases constitute only about one third of the court’s docket.39 This jurisdiction

35 Id. at 1361.

36 Id.

37 TrafFix Devices, Inc. v. Mktg. Displays, Inc., 532 U.S. 23 (holding that the inclusion of matter in an expired utility patent raised a strong presumption of functionality, making that matter ineligibly for trade dress protection).

38 A LEXIS search of articles with titles containing the phrase “Court of Appeals for the Federal Circuit,” yielded 156 results, of which 88 (over 56.4%) include at least ten references to patent. Of 464 articles with titles containing the phrase “Federal Circuit,” 288 (over 62%) include at least ten references to patent. At least one author appears to have errantly reported that the Federal Circuit “hears primarily patent appeals”. David Kelly, The Federal Circuit Transforms the Written Description Requirement into a Biotech-Specific Hurdle to Obtaining Patent Protection for Biotechnology Patents, 13 ALB. L.J. SCI. & TECH. 249 (2002).
derives from four distinct sources: appeals of patent claims brought in the United States district courts,\textsuperscript{40} appeals from decisions of the Board of Patent Appeals and Interferences,\textsuperscript{41} appeals of decisions of the United States International Trade Commission barring the importation of goods infringing a valid patent,\textsuperscript{42} and appeals from the Court of Federal Claims of cases brought against the United States,\textsuperscript{43} which includes claims alleging a “taking” of patent by the government.\textsuperscript{44}

\textsuperscript{39} See Caseload, \textit{supra} note 16. The popular conception of the Federal Circuit as a “patent” court may well derive from the fact that its jurisdiction over patent cases is the only area of jurisdiction that was transferred from the regional circuits to the Federal Circuit, the regional circuits having never enjoyed jurisdiction over a substantial number of cases brought under the Tucker Act, the Court of International Trade, the Trademark Trial and Appeals Board, or the Board of Patent Appeals and Interferences, and various other matters committed to the jurisdiction of the Federal Circuit. In other words, the regional circuits never knew what they were missing.

\textsuperscript{40} 28 U.S.C. § 1295(a)(1).

\textsuperscript{41} 28 U.S.C. § 1295(a)(4)(A) and (C).


The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that—
(i) infringe a valid and enforceable United States patent or a valid and enforceable United States copyright registered under title 17; or
(ii) are made, produced, processed, or mined under, or by means of, a process covered by the claims of a valid and enforceable United States patent.

\textsuperscript{43} 28 U.S.C. § 1295(a)(2).

\textsuperscript{44} See 28 U.S.C. § 1498(a), stating in relevant part:

Whenever an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner’s remedy shall be by action against the United States in the United States Court of Federal Claims for the recovery of his reasonable and entire compensation for such use and manufacture.
A. Sources of appellate jurisdiction

1. Appeals from District Courts

The Federal Circuit’s jurisdiction over patent claims brought in any United States district court is unique among the federal appellate courts. Under 28 U.S.C. § 1295(a)(1), the Federal Circuit has exclusive jurisdiction over appeals from cases where “the jurisdiction of that court was based, in whole or in part, on” 28 U.S.C. § 1338(a), which in turn grants the district courts “original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights and trademarks.” However, § 1295(a) excepts cases “involving a claim arising under any Act of Congress relating to copyrights, exclusive rights in mask works, or trademarks and no other claims under section 1338 (a).”

The Federal Circuit does not, by dint of § 1295(a)(1), have jurisdiction over every case in which a patent is in some way implicated in the claims, for the cause must arise under an act of Congress. For example, a dispute over the terms of a contract for sale of a patent is not within its mandate, nor is review of a case bottomed on trade secrets revealed in a patent application. Rather, the jurisdiction of the Federal Circuit hinges upon the claimant asserting “some right or interest under the patent laws, or at least some right or privilege that would be defeated by one or

This, then, works an effective grant of exclusive jurisdiction to the Federal Circuit through 28 U.S.C. § 1295(a)(3) (vesting the Federal Circuit with exclusive jurisdiction over “an appeal from a final decision of the United States Court of Federal Claims”).

45 See, e.g., Beghin-Say Int’l, Inc. v. Rasmussen, 733 F.2d 1568 (Fed. Cir. 1984) (dismissing for lack of jurisdiction an appeal from a dispute as to whether title to certain patents was conveyed by a contract).

46 Kroll v. Finnerty, 242 F.3d 1359 (Fed. Cir. 2001) (no substantial question of patent law raised merely because the case required some exposition of the duties of a patent applicant to the USPTO).
sustained by an opposite construction of those laws." 47 Indeed, where the appellant fails to demonstrate jurisdiction arising under § 1338(a), the case must be dismissed by the district court for lack of jurisdiction, unless diversity jurisdiction exists, or federal jurisdiction arises under some other statute.

2. Appeals from the Board of Patent Appeals and Interferences

The Federal Circuit’s jurisdiction over appeals from the Board of Patent Appeals and Interferences carries over from its predecessor, the CCPA. 48 A party dissatisfied with a decision of the BPAI may appeal directly to the Federal Circuit, 49 but may also press their claim in the United States District Court for the District of Columbia if the appeal is from the denial of an application, 50 or in any United States district court if the appeal is from an interference proceeding. 51 Pursuant to its exclusive jurisdiction over patent claims brought in the district

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47 Beghin-Say International, 733 F.2d at 1570.

48 Nies, supra note 10, at 799.

49 35 U.S.C. § 141, stating in relevant part:

An applicant dissatisfied with the decision in an appeal to the Board of Patent Appeals and Interferences under section 134 of this title may appeal the decision to the United States Court of Appeals for the Federal Circuit.

50 35 U.S.C. § 145, stating in relevant part:

An applicant dissatisfied with the decision of the Board of Patent Appeals and Interferences in an appeal under section 134 (a) of this title may, unless appeal has been taken to the United States Court of Appeals for the Federal Circuit, have remedy by civil action against the Director in the United States District Court for the District of Columbia...

51 35 U.S.C. § 146, stating in relevant part:

Any party to an interference dissatisfied with the decision of the Board of Patent Appeals and Interferences on the interference, may have remedy by civil action...
courts, the Federal Circuit also hears appeals from cases brought in United States district courts wherein the plaintiff has sought to compel the USPTO to act in some way. Thus, it is not possible for a litigant to circumvent the jurisdiction of the Federal Circuit and press a claim premised on an action of the USPTO in a regional circuit. However, litigants may still find it advantageous to proceed in a district court, as such a forum provides the opportunity to call witnesses and present newly discovered evidence, whereas the Federal Circuit will examine only the record generated below.

The level of deference granted by the Federal Circuit to factual findings of the BPIA became an issue of controversy in the 1990s, culminating in the Supreme Court’s decision in *Dickenson v. Zurko*.

In that case, a majority of Justices held that the relationship between the Federal Circuit and the BPIA was governed by the Administrative Procedure Act, and did not fall into an exception for “additional requirements… recognized by law.” A dissenting opinion authored by Chief Justice Rehnquist would have found the requirements of the exception met due to the longstanding acquiescence of the PTO to the imposition of this standard, and the Federal Circuit’s plausible interpretation of the statute with respect to its own jurisdiction.

### 3. Appeals from the International Trade Commission

unless he has appealed to the United States Court of Appeals for the Federal Circuit, and such appeal is pending or has been decided.


53 5 U.S.C. § 706, authorizing reviewing courts to set aside agency findings that are arbitrary, capricious, an abuse of discretion, or unsupported by substantial evidence.


55 *Dickinson*, 527 U.S. at 171 (Rehnquist, C.J., dissenting).

56 *Id.*
The Federal Circuit’s jurisdiction over appeals from the ITC originates from historical circumstances similar to those giving rise to its jurisdiction over the BPAI. The CCPA had appellate jurisdiction over the United States Customs Court, which became the Court of International Trade in 1980, pursuant to the Customs Courts Act of 1980.\(^{57}\) The CCPA had in fact originally been created in 1909 as the Court of Customs Appeals,\(^{58}\) and it was not until 1929 would be renamed the Court of Customs and Patent Appeals, alongside its expansion of authority over the U.S. Patent Office.\(^{59}\) Congress passed the Customs Courts Act of 1980, in response to concerns arising from the growth of litigation involving matters of international trade.\(^{60}\) The 1980 Act “expanded and clarified the jurisdiction of the United States Customs Court from a substantive and remedial standpoint,”\(^{61}\) and renamed it to reflect this expanded scope.\(^{62}\) The resulting Court of International Trade (“CIT”) is similar to the Federal Circuit in its unique breadth of jurisdiction, being “the only national trial court in the United States established under

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\(^{58}\) Act of August 5, 1909, ch. 6, § 29, 36 Stat. 11, 105.


\(^{61}\) *Id.*

Article III of the Constitution.\textsuperscript{63} The legislation establishing the CIT itself expressly continued the exclusive jurisdiction of the CCPA over decisions of the CIT.\textsuperscript{64}

However, although the CIT has jurisdiction over the ITC, it did not retain its jurisdiction over ITC cases barring imports due to the infringement of a valid patent. As the CIT has noted, “It is not the role of this Court or of Customs to settle questions of intellectual property law.”\textsuperscript{65} Thus, “defenses to infringement that [appellant] could have asserted before the ITC in the Section 337 proceeding, and thereafter raised on appeal before the Federal Circuit, will not be availing in this forum.”\textsuperscript{66} Arguments regarding imports sought to be barred due to alleged patent infringement must be raised before the ITC, and appeals of the decisions of that body in such cases bypasses the CIT entirely. This provides for a sensible conservation of resources, as it would make little sense to preserve two levels of appeal where the first would be to a body lacking expertise in the matters at issue, while the second would be to a body with substantial expertise in such matters.

The legislation granting the ITC the power to bar the importation of infringing goods specifically applies to articles that:

(i) infringe a valid and enforceable United States patent…; or

\textsuperscript{63}\textit{Id.}

\textsuperscript{64} 28 U.S.C. 1541(a), as amended by Act of Oct. 10, 1980, Pub. L No. 96-417, Title IV, § 401(a)(1), stating:

\begin{quote}
The Court of Customs and Patent Appeals shall have exclusive jurisdiction of appeals from all final decisions of the Court of International Trade.
\end{quote}


\textsuperscript{66} \textit{Id.}
(ii) are made, produced, processed, or mined under, or by means of, a process covered by the claims of a valid and enforceable United States patent. 67

Because the patents at issue must be found to be valid and infringed, parties sought to be barred from importing allegedly infringing goods may defend themselves both by challenging the validity of the patents, and by contending that the patents, if valid, are not infringed by the imported goods. Thus, the ITC may be called upon to find the patents to be invalid, 68 or to engage in claim construction to determine whether the patents have been infringed. 69

4. Appeals from the Court of Federal Claims

The origin of the Federal Circuit’s jurisdiction over the Court of Federal Claims (“CFC”) parallels its inheritance of the CCPA’s jurisdiction over the BPAI and the CIT, but differs in one important aspect. While the CCPA was incorporated wholesale into the Federal Circuit, and the courts over which it presided went unchanged, the Court of Claims which preceded the CFC was split in two. Its trial division was reconstituted as a new Article I federal court, 70 initially

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68 See, e.g., Energizer Holdings, Inc. v. ITC, 275 Fed. Appx. 969 (Fed. Cir. 2008). Three opinions were entered in Energizer Holdings. Judges Schall upheld the ITC determination that patent was “invalid for failure to meet the written description requirement”. Id. at 978. Judge Linn, writing separately, also found the patent invalid, but on different grounds than those asserted by the ITC, specifically that “the claim is insolubly ambiguous and, thus, indefinite”. Id. at 980. Judge Newman, dissenting, would have found the patent to be valid and reversed the ITC, asserting that “the invention that is claimed is the invention that is unambiguously and clearly described in the specification.” Id. at 980.

69 See, e.g., Broadcom Corp. v. ITC, 542 F.3d 894, 899 (Fed. Cir. 2008) (upholding ITC determination that certain of the patents at issue, although valid, were not infringed).

70 28 U.S.C. § 171(a) (establishing the CFC as an Article I court).
designated as the United States Claims Court,\textsuperscript{71} with its appellate division becoming part of the Federal Circuit.

The Federal Circuit’s jurisdiction over appeals from cases brought under the Tucker Act derives from its historical roots in the Court of Claims,\textsuperscript{72} which has had jurisdiction over most such claims for as long as the Tucker Act has existed.\textsuperscript{73} This jurisdiction likely derives not merely from a concern for uniformity in the law, but also from a desire to provide a forum for the resolution of grievances against the United States that was isolated from local biases. In fact, for nearly 120 years prior to the creation of the Federal Circuit, appeals from the Court of Claims were taken directly to the United States Supreme Court. This direct appellate path was established with the creation of the Court of Claims in 1863.\textsuperscript{74} The ability to appeal from the Court of Claims to the Supreme Court was briefly lost in the 1865 case of \textit{Gordon v. United States}.\textsuperscript{74}

\begin{footnotesize}
\footnote{\textsuperscript{71} The United States Claims Court was renamed the United States Court of Federal Claims by the Federal Courts Administration Act of 1992, Pub. L. No. 102-572, tit. IX, § 9(a)(2), 106 Stat. 4506, 4516.}

\footnote{\textsuperscript{72} See Section II, supra.}

\footnote{\textsuperscript{73} Gregory C. Sisk, \textit{The Trial Courts of the Federal Circuit: Diversity by Design}, 13 \textit{FED. CIR. B.J.} 241, 243 (2003).}

\footnote{\textsuperscript{74} See Gordon v. United States, 117 U.S. 697, 698 (U.S. 1865), describing the appellate jurisdiction over the Supreme Court granted by the organic act of the Court of Claims, which provided “that either party may appeal to the Supreme Court of the United States from any final judgment or decree which may thereafter be rendered in any case by the Court of Claims wherein the amount in controversy exceeds $3,000,” and which further allowed the $,3000 amount-in-controversy threshold to be waived “when the judgment or decree will affect a class of cases, or furnish a precedent for the future action of any Executive Department of the government in the adjustment of such class of cases, or a constitutional question, and such facts shall be certified to by the presiding Justice of the Court of Claims.”}
\end{footnotesize}
There, the Supreme Court determined that certain aspects of the legislation prohibited it from exercising jurisdiction over the Court of Claims. Specifically, Congress had enacted a provision requiring decisions of the Court of Claims to be reviewed by the Secretary of the Treasury so that an estimate could be submitted to Congress before Congress would appropriate actual funds in payment of a claim. The Supreme Court found that this intermediate review by the executive branch rendered the decisions of the Court of Claims merely advisory, removing the court from the judicial branch entirely. Congress swiftly addressed the deficiencies identified by repealing its own authority under the statute to review such judgments, and the Supreme Court was satisfied.

Any patent infringement claim against the federal government must be brought under the Tucker Act, as such claims are brought pursuant to a waiver of sovereign immunity by the United States, which permits the government to set forth restrictions on the relief available. One such limitation is the power of the United States to designate the sole route for another party to

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75 Id. See also Floyd D. Shimomura, The History of Claims Against the United States: The Evolution from a Legislative Toward a Judicial Model of Payment, 45 L.A. L. REV. 625, 658 (1985).

76 Id. at 658-59.

77 Id. at 657. Specifically, the statute provided that “no money shall be paid . . . for any claim . . . till after an appropriation therefor shall be estimated for by the Secretary of the Treasury.” Id.

78 Id. at 658-59. In an odd quirk of history, the Supreme Court’s written opinion itself was lost due to the death of its author, Chief Justice Roger Brooke Taney. Taney’s successor, Salmon P. Chase, issued only a brief statement of the decision that the Court lacked jurisdiction. With no written opinion to guide it, Congress then guessed – correctly – what the Court’s objection was. Taney’s written opinion was finally discovered twenty-one years later, in 1885. Id. at 658-660.

79 Id. at 659-661.
bring such a claim against it.\textsuperscript{80} Other limitations may be imposed under the same principle. For example, a patent claimant against the United States has no right to injunctive relief,\textsuperscript{81} and can not raise a cause of action for induced infringement or contributory infringement.\textsuperscript{82} By contrast, the United States can generally raise any defense that could be raised by a private party.\textsuperscript{83}

In theory, a patent infringement claim against the United States, if valued at less than $10,000, could be brought in a United States district court under the Little Tucker Act.\textsuperscript{84} The Federal Circuit’s jurisdiction to hear an appeal of such a claim would arise under both § 1295(a)(1) and (a)(2). The cause of action would certainly fall within “any civil action arising under any Act of Congress relating to patents,” which is the basis for district courts to assert jurisdiction over patent claims. However, this dual source of authority would have no bearing on the analysis to be used by the Federal Circuit in deciding the case. In any event, no patent claim

\textsuperscript{80} 28 U.S.C. § 1498(a), stating in relevant part:

> Whenever an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner’s remedy shall be by action against the United States in the United States Court of Federal Claims for the recovery of his reasonable and entire compensation for such use and manufacture.

\textsuperscript{81} See, e.g., Leesona Corp. v. United States, 599 F.2d 958, 968 (Ct. Cl. 1979), cert. denied, 444 U.S. 991 (1979); Belknap v. Schild, 161 U.S. 10 (1896).

\textsuperscript{82} See, e.g., Decca Ltd. v. United States, 640 F.2d 1156, 1158 (Ct. Cl. 1980), cert. denied, 454 U.S. 819 (1981).

\textsuperscript{83} See, e.g., Iris Corp. Berhad v. United States, 84 Fed. Cl. 12, 14 (Fed. Cl. 2008) (“the Government argues that it has not infringed any valid claim of the ‘412 patent, and alternatively, that the ‘412 patent is invalid pursuant to 35 U.S.C. §102 (anticipation), §103 (obviousness), and/or §112’); but see Motorola, Inc. v. U.S. 729 F.2d 765 (Fed. Cir. 1984) (reversing CFC and holding that the government could not raise failure to mark as a defense because the statute limiting damages for unmarked patented products was not traditionally deemed a “defense”).

\textsuperscript{84} 28 U.S.C. 1346(a)(2).
has ever risen to the Federal Circuit under the Little Tucker Act – there is little incentive for a litigant to file such a suit against the United States while conceding damages of less than $10,000.\(^{85}\)

**B. Regional circuit deference to Federal Circuit patent jurisdiction**

1. **The *Vornado* effect**

   For over twenty years after the creation of the Federal Circuit, no regional circuit was called upon to interpret the patent laws of the United States in a case brought pursuant to a claim under those laws. In 2004, however, a new path for questions of patent law to reach the regional circuits was carved by the United States Supreme Court in its decision in *Holmes Group, Inc. v. Vornado Air Circulation Systems, Inc.*\(^{86}\) *Vornado* presented an odd set of circumstances. The defendant, Vornado, had previously lost a trade dress claim against a competitor, the court in that case having held defendant’s trade dress unprotectable.\(^{87}\) Vornado then filed a complaint with the International Trade Commission action against a *different* competitor for infringement of the

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\(^{85}\) *But see* Syntex (U.S.A.), Inc. v. U.S. Patent & Trademark Office, 882 F.2d 1570 (Fed. Cir. 1989). In that case, the plaintiff had sought USPTO reexamination of a competitor’s patent, and was aggrieved that the USPTO had decided to issue a Reexamination Certificate to that competitor. The plaintiff filed a suit in a United States district court seeking review of the USPTO’s decision, and in the alternative, sought reimbursement of the filing fee paid to the USPTO for the reexamination under the Little Tucker Act. Both claims were dismissed for lack of jurisdiction, which the Federal Circuit upheld. The patent claim was dismissed because the statute permitting district court review of USPTO actions does not extend to a third party registration. The Little Tucker Act claim was dismissed because the fee paid was a nonrefundable user fee, and not a contract. *Id.* at 1572 n.4. Although the Little Tucker Act claim was pressed against the USPTO, this claim was not premised on the patent laws of the United States.

\(^{86}\) 535 U.S. 826 (2002).

\(^{87}\) *Id.* at 828.
same trade dress. The second competitor responded by filing a declaratory judgment action in a United States district court, seeking to absolve itself of trade dress claims. The notion of a patent being involved in the case was raised only by the defendant, in a counterclaim for patent infringement.

The Federal Circuit, having taken the appeal following the district court’s grant of the relief requested by the plaintiff, vacated the district court’s judgment based on intervening case law. The Supreme Court took the appeal from this decision to determine the limits of the jurisdiction of the Federal Circuit, and held that under the language of the statute, jurisdiction over cases granted by § 1295(a)(1) was restricted to those cases in which such jurisdiction arose on the face of the complaint. In this case, therefore, the decision of the Federal Circuit was vacated for lack of jurisdiction because petitioner’s complaint did not include any claim based on patent law…

This decision immediately created a sense of uncertainty as to the degree to which patent case law would remain the purview of the Federal Circuit. It was argued that “choice-of-law implications of the jurisdictional holding in Vornado threaten to undermine the uniformity and

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88 Id.
89 Id.
90 Id.
91 Id. at 829.
92 Id. at 830.
93 Id. at 834.
stability in the patent law that the Federal Circuit was created to secure,” and deemed likely that “the number of cases filed with a ‘well-pleaded complaint,’ purposely omitting a patent law claim, will increase as plaintiffs race to file declaratory judgments before the patentee files an infringement action with a patent law claim.” Numerous other articles have anticipated such consequences. However, these fears have not become manifest.

2. Post-Vornado regional circuit patent jurisprudence

The first post-Vornado case under which a regional circuit took up an appeal of a case with a patent counterclaim was *Telecom Tech. Services v. Rolm Co.* The district court’s order in *Telecom* had been issued before *Vornado* was decided, but the appeal was heard after that.
decision, creating a neat breaking point in the determination of the law to be applied.\textsuperscript{98} In setting forth the law to be applied with respect to the antitrust question at the core of the plaintiff’s case, the district court itself stated that “the Federal Circuit... undoubtedly has jurisdiction over any appeal in this case,”\textsuperscript{99} and followed the Federal Circuit’s then-recent decision in \textit{In re Independent Service Organizations Litigation},\textsuperscript{100} stating that its “effect on the instant case is profound.”\textsuperscript{101} The district court had previously denied summary judgment prior to the issuance of the \textit{Independent Service Organizations} decision, but reversed itself in light of that opinion,\textsuperscript{102} granting summary judgment in favor of the defendant, which also then prevailed before the jury on its patent infringement counterclaim.\textsuperscript{103} The plaintiff appealed to the Federal Circuit, contesting both the summary judgment ruling and the district court’s refusal to set aside the jury’s verdict.\textsuperscript{104} The Federal Circuit undertook a \textit{sua sponte} investigation of its own jurisdiction over the case in light of \textit{Vornado}.\textsuperscript{105} Finding that its jurisdiction had been extinguished, the

\textsuperscript{98} \textit{Id.} at 826.
\textsuperscript{100} \textit{Id.}, citing \textit{In re Independent Service Organizations Litigation}, 203 F.3d 1322 (Fed. Cir. Feb. 17, 2000) (affirming patent owner’s right to exclude former customer from use of patented technology).
\textsuperscript{101} \textit{Id.} (further stating that \textit{In re Independent Service Organizations Litigation} “addressed a situation almost identical to the instant case”).
\textsuperscript{102} 388 F.3d. at 823-24.
\textsuperscript{103} \textit{Telcomm Tech. Servs., Inc. v. Siemens Rolm Communs., Inc.}, 295 F.3d 1249, 1251 (Fed. Cir. 2002).
\textsuperscript{104} \textit{Id.}
\textsuperscript{105} \textit{Id.}
Federal Circuit transferred the case to the regional circuit in which the district court sat, the Eleventh Circuit. 106

The Eleventh Circuit also noted that the district court “applied Federal Circuit law because it believed (correctly at the time) that the patent issues involved placed an appeal in this case under the Federal Circuit’s jurisdiction.” 107 However, it chose to work a limitation on the amount of authority to grant to the Federal Circuit precedent upon which the district court had relied:

Because the face of the complaint, here, addresses antitrust issues and patent infringement issues are only raised as counterclaims, the Federal Circuit determined that it did not have jurisdiction over the present case and transferred it to this court. Consequently, the Federal Circuit opinion in In re ISO now only has persuasive authority.

In finding that the jury had before it sufficient evidence to find patent infringement, the Eleventh Circuit cited only to its own precedent for the broad, and non-patent specific propositions that inferences would be drawn in favor of the non-moving party, and that the jury would only be reversed if there were no legal basis upon which it could have found for the defendant. 108 Although the Eleventh Circuit found that the jury had justifiably rejected a first sale defense and found the elements of infringement, it cited no precedent as authority for those determinations, instead noting that “[i]n its jury instructions, the district court covered, in detail, the necessary evidence for a findings of patent infringement and the ISOs did not object to any of these instructions.” 109 In so doing, the Eleventh Circuit sidestepped the need to decide whether it

106 Id. at 1252.
107 388 F.3d. at 825.
108 Id. at 831 n. 10.
109 Id. at 832 n. 12.
would expressly defer to the Federal Circuit, or rely on its own precedent predating the advent of the Federal Circuit.

To date, there has only been a single true post-\textit{Vornado} test of the patent laws – that is, a single case in which a regional circuit has been called upon to substantively interpret the law of patent. That case is \textit{Schinzing v. Mid-States Stainless, Inc.}.\textsuperscript{110} The case rose on a claim of a breached patent licensing agreement, against which a counterclaim of patent invalidity was raised.\textsuperscript{111} In \textit{Schinzing}, the Eighth Circuit held at the outset that it would “adopt the Federal Circuit’s precedent on substantive issues of patent law.”\textsuperscript{112} The court then proceeded to examine the invalidity claim under a faithful application of Federal Circuit precedent.\textsuperscript{113} In deciding the validity of the patent, the Eighth Circuit cited to no fewer than twenty Federal Circuit cases (and one Supreme Court case),\textsuperscript{114} and not a single case originating in the Eighth Circuit, or in any of the other regional circuits.

The lack of any further instances of cases with patent counterclaims reaching the regional circuits may be attributable in part to the rarity of circumstances which would allow such an outcome – prior to \textit{Vornado}, the Federal Circuit had heard only a handful of cases in which

\begin{enumerate}
\item[110] 415 F.3d 807 (8th Cir. 2005).
\item[111] \textit{Id.} at 810-811.
\item[112] \textit{Id.} at 811.
\item[113] \textit{Id.} at 811-813.
\item[114] The lone Supreme Court case cited was \textit{Graham v. John Deere Co.}, 383 U.S. 1 (1966).
\end{enumerate}
jurisdiction had been premised on a patent counterclaim\footnote{See, e.g., Aerojet-General Corp. v. Mach. Tool Works, Oerlikon-Buehrle Ltd., 895 F.2d 736, 745 (Fed. Cir. 1990) (en banc); DSC Communications Corp. v. Pulse Communications, Inc., 170 F.3d 1354, 1358–59 (Fed. Cir. 1999).} – but also to the Eight Circuit’s decision in Schinzling. It is likely that other regional circuits would take the position of the Eighth Circuit, deferring to the Federal Circuit on the interpretation of patent law.\footnote{See David L. Schwartz, Practice Makes Perfect? An Empirical Study of Claim Construction Reversal Rates in Patent Cases, 107 Mich. L. Rev. 223, 265 (2008) ("If a second appellate court were given more direct jurisdiction over patent appeals, the second appellate court would probably follow the lead of the Eighth Circuit by copying the existing Federal Circuit case law").} There are several reasons to anticipate this probable outcome. The first is the same reasoning by which the Federal Circuit defers to the regional circuits on matters not relating to its areas of jurisdiction, respect for the expertise of the body to which deference is granted. The assumption of such a stance also circumvents attempts to “game the system” – plaintiffs will have no incentive to engineer the complaint in order to reach a more favorable appellate forum, or to compel the district court to use what may be perceived as a more favorable body of precedent.

A more practical reason may well be that the regional circuits, having been relieved of the burden of dealing with patent cases, would prefer not to create an incentive for patent cases to come flooding back to their docket. In summary, the effect of Vornado has been to stir up unrealized concerns about the effect of Vornado.

V.  Trademark jurisdiction: An accident of history

A.  A smaller pool of jurisdiction
The Federal Circuit’s trademark jurisdiction derives from a smaller pool of sources than its patent jurisdiction. The court does not enjoy a grant of jurisdiction over trademark infringement claims brought in the district courts comparable to its general jurisdiction over patent infringement claims – indeed, its originating act expressly declines to provide such jurisdiction. § 1295(a)(1), grants jurisdiction over appeals from cases where “the jurisdiction of that court was based, in whole or in part, on section 1338,”¹¹⁷ which in turn grants the district courts original jurisdiction over cases arising under, *inter alia*, patent, trademark, and copyright laws of the United States.¹¹⁸ However, § 1295 thereafter excepts cases “involving a claim arising under any Act of Congress relating to copyrights, exclusive rights in mask works, or trademarks and no other claims under section 1338 (a)…” The Court of Federal Claims is another area from which jurisdiction over patent matters arises, but not jurisdiction over trademark matters. This is because, apposite to the provision with respect to patents, there is simply no waiver of federal sovereign immunity with respect to trademarks.¹¹⁹ The federal government may go so far as to reserve a word from being used as a trademark by any person other than its preferred agent, even in the absence of any likely confusion, and with no financial recourse for the deprived parties.¹²⁰


¹¹⁸ 28 U.S.C. § 1338, stating in relevant part:
“involving a claim arising under any Act of Congress relating to copyrights, exclusive rights in mask works, or trademarks and no other claims under section 1338 (a)…”

¹¹⁹ Preferred Risk Mut. Ins. Co. v. United States, 86 F.3d 789, 795 (8th Cir. 1996) (holding that “the Lanham Act does not apply to the federal government”).

¹²⁰ San Francisco Arts & Athletics, Inc. v. United States Olympic Committee, 483 U.S. 522 (1987) (holding that the government could grant the U.S. Olympic Committee the exclusive right to use the word “Olympic” as a mark, even where no likelihood of confusion existed as to other parties seeking to make use of the mark).
However, the Federal Circuit is not bereft of trademark matters to consider. It has two specific areas of jurisdiction over trademark cases which mirror the other two areas of its jurisdiction over patents. First and foremost, the Federal Circuit hears appeals from the TTAB.\footnote{28 U.S.C. § 1295(a)(4)(B):}

In addition, as with patents, the Federal Circuit hears appeals of decisions of the ITC barring the importation of goods infringing a valid trademark.\footnote{28 U.S.C. § 1295 (a)(6), \textit{supra} note 42, as applied to 19 U.S.C. § 1337(a)(1)(C), permitting the International Trade Commission to prohibit, in relevant part:}

Furthermore, the Federal Circuit enjoys ancillary jurisdiction over trademark claims brought in conjunction with the patent claims over which the Federal Circuit enjoys exclusive jurisdiction. Because the Federal Circuit has some number of trademark matters committed to its jurisdiction, it might be expected to have a more robust policy regarding the application of trademark law than of other areas of law for which deference to the regional circuits is the rule.

1. Appeals from the Trademark Trial and Appeals Board

\footnote{28 U.S.C. § 1295(a)(4)(B):}

The United States Court of Appeals for the Federal Circuit shall have exclusive jurisdiction—

\footnote{28 U.S.C. § 1295 (a)(6), \textit{supra} note 42, as applied to 19 U.S.C. § 1337(a)(1)(C), permitting the International Trade Commission to prohibit, in relevant part:}

\footnote{28 U.S.C. § 1295 (a)(6), \textit{supra} note 42, as applied to 19 U.S.C. § 1337(a)(1)(C), permitting the International Trade Commission to prohibit, in relevant part:}

The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that infringe a valid and enforceable United States trademark registered under the Trademark Act of 1946…
As with its appellate jurisdiction over the BPAI, the Federal Circuit jurisdiction over the TTAB carries over from the jurisdiction of the former CCPA. There is an element of historical accident to this circumstance. In the American legal community, trademark and patent law (along with copyright law) fall under the general heading of “intellectual property.” Patent claims are thus often brought by attorneys whose work encompasses trademark law, and for whom a trademark action is a familiar cause to assert. This has been the case for as long as the federal regulation of trademarks has existed in the United States. At least as early as 1900, the ABA held meetings of its “section of patent, trade-mark, and copyright law.” Even earlier than that, in 1882, the American Bar Association adopted a resolution acknowledging the connection

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124 The American Bar Association, 62 ALBANY L.J. 39-41 (1900). The name of the section eventually gave way to the craze for “intellectual property.” See SIVA VAIDHYANATHAN, COPYRIGHTS AND COPYWRONGS 12 (2001) (noting that “the United Nations’ World Intellectual Property Organization, first assembled in 1967. Soon after that, the American Patent Law Association and the American Bar Association Section on Patent, Trademark, and Copyright Law changed their names to incorporate “intellectual property.””) This author has been unable to determine, however, exactly when in the intervening six decades the ABA section abolished the hyphen in “trade-mark..”
between patent and trademark (as well as copyright), by referencing “[a] bill… pending before Congress relative to the appointment of a commission, whose duty it shall be to examine into the patent, trade-mark, and copyright laws.”

The association of patents and trademarks under the banner of a single governmental agency appears to derive from the influence of France, which had in the 18th century developed the concept of propriété industrielle, encompassing trademarks and patents, as a counter-category to the propriété artistique embodied in poetry, novels, portraits, operas and sonatas. This was some decades before the enactment of the first federal trademark laws in the United States. When, in the mid-19th century, England undertook an effort to boost its commercial success by rewriting its intellectual property laws “[w]ith France acting as a role model.” In the same era, it was still the case that “American courts looked to English law for inspiration, to English jurists and treatise writers,” while Americans going through the apprenticeship which then dominated entry into the legal profession often supplemented their legal education by attending the English Inns of Court. It would have been conceptually acceptable for trademarks to be reviewed initially by the Copyright Office, or by a new agency altogether. However, that responsibility was reposed with what was then simply the Patent Office. It is only natural that the CCPA was given appellate authority over decisions coming from the trademark

125 American Bar Association, Report of the Fifth Annual Meeting of the American Bar Association 77 (1883).


127 Lawrence Meir Friedman, American Law in the Twentieth Century 574 (2004).

end of the USPTO because this balanced the authority it was created to exercise over the patent end of that operation.

A litigant may file an action in any United States district court seeking, inter alia, cancellation of a mark that has been issued to another, and a district court may restore a cancelled registration in the course of civil litigation between private parties, but a party seeking initial registration of a mark can not request that a district court order the issuance of a registration that has not been subject to examination by the USPTO. The trademark laws offer several courses for appeals from adverse decisions of the examiners tasked with determining registrability. From a final refusal of an application for registration, the applicant must first appeal to the TTAB, but from there may appeal to the Federal Circuit or to any district court, so long as the applicant is willing to bear the costs of both sides to the proceeding.

129 15 U.S.C. § 1119, stating:

In any action involving a registered mark the court may determine the right to registration, order the cancelation of registrations, in whole or in part, restore canceled registrations, and otherwise rectify the register with respect to the registrations of any party to the action. Decrees and orders shall be certified by the court to the Director, who shall make appropriate entry upon the records of the Patent and Trademark Office, and shall be controlled thereby.

130 Id.

131 15 U.S.C. § 1070, stating:

An appeal may be taken to the Trademark Trial and Appeal Board from any final decision of the examiner in charge of the registration of marks upon the payment of the prescribed fee.

132 15 U.S.C. § 1071(a), stating:

An applicant for registration of a mark, party to an interference proceeding, party to an opposition proceeding, party to an application to register as a lawful concurrent user, party to a cancellation proceeding, a registrant who has filed an affidavit as provided in section 1058 of this title, or an applicant for renewal, who
It should be noted that although Zurko\textsuperscript{134} involved the Federal Circuit’s review of a
decision of the BPIA, the Federal Circuit has since found the Supreme Court’s decision to be
equally applicable to findings of fact originating in the TTAB.\textsuperscript{135}

2. Appeals from the International Trade Commission

The jurisdiction exercised by the Federal Circuit with respect to ITC prohibitions on the
import of articles that infringe a valid trademark is identical to its jurisdiction over comparable
allegations of patent infringement. As with patent cases, the ITC must find the trademark to be
“valid and enforceable.”\textsuperscript{136} As a practical matter, the Federal Circuit has decided only a handful
of cases brought on appeal from ITC decisions as to the validity or infringement of a trademark.
Of those cases, a surprising number have been cases premised on the importation of “gray
market goods” – goods that are manufactured by the owner of the mark, but for sale in other
countries.\textsuperscript{137} The primary issue in cases dealing with different manufacturers of similar goods has
been the alleged functionality of the design for which trade dress protection is sought.\textsuperscript{138}

\begin{footnotesize}
\begin{itemize}
\item 133 15 U.S.C. § 1071(b).
\item 134 Discussed in section IV. A. 2., \textit{supra}.
\item 135 Recot, Inc. v. Becton, 214 F.3d 1322 (Fed. Cir. 2000); \textit{see also} On-Line Careline Inc. v.
America Online, Inc., 229 F.3d 1080, 1085 (Fed. Cir. 2000) (“Nothing in these statutes suggests
that the TTAB should receive any less deference on fact-finding than the BPAI.”).
\item 137 \textit{See, e.g.}, Bourdeau Bros. v. ITC, 444 F.3d 1317, 1320 (Fed. Cir. 2006) (tractors made for sale
in Europe and reimported into the United States were materially different from other tractors
made by the same company for sale in the United States, and reimporters thus infringed the U.S.
trademark); Gamut Trading Co. v. United States ITC, 200 F.3d 775 (Fed. Cir. 1999) (same);
SKF United States, Inc. v. ITC, 423 F.3d 1307, 1318 (Fed. Cir. 2005) (manufacturer of ball
\end{itemize}
\end{footnotesize}
3. Ancillary jurisdiction arising from patent claims

Where the jurisdiction of the district court arises in any part from a patent claim, the Federal Circuit retains exclusive jurisdiction over appeals arising from all of the claims, even if the patent claims have been disposed of before appellate review is sought.\textsuperscript{139} Thus, the Federal Circuit has jurisdiction over trademark claims that are brought in conjunction with patent claims. As a technical matter, the ancillary jurisdiction of the Federal Circuit would reach even a state-law personal injury claim arising from a slip and fall, or a fender bender, if brought in connection with a patent claim. A trademark infringement claim is, for a number of reasons, a more likely accompaniment to a patent claim.\textsuperscript{140}

It is a common practice for firms to build brand recognition for their patented goods, with the expectation to continue leveraging the trademark for market share once the patent has

\textsuperscript{138} See, e.g., New Eng. Butt Co. v. United States Int’l Trade Com, 756 F.2d 874, 879 (Fed. Cir. 1985) (Holding that the “Commission’s finding that New England Butt’s braiding machine design is de jure functional is supported by substantial evidence”); Textron, Inc. v. United States Int’l Trade Com, 753 F.2d 1019, 1026 (Fed. Cir. 1985) (affirming ITC finding that aspects of claimed trade dress for vertical milling machines were functional).


\textsuperscript{140} This is not to say that the Federal Circuit is above consideration of matters as mundane as a slip and fall or an automobile accident. These fact patterns arise in other areas under the jurisdiction of the Federal Circuit – particularly in wrongful termination cases appealed from the Court of Federal Claims, and in veteran’s appeals. \textit{See, e.g.,} Camastro v. DOJ, 25 Fed. Appx. 930, 931 (Fed. Cir. 2001) (Federal Employees’ Compensation Act claim pursuant to a slip-and-fall injury); Natali v. Principi, 375 F.3d 1375, 1376 (Fed. Cir. 2004) (World War II veteran seeking compensation for injuries alleged to trace back to an automobile accident which occurred during his military service).
expired.\footnote{See Gideon Parchomovsky and Peter Siegelman, \textit{Towards an Integrated Theory of Intellectual Property}, 88 VA. L. REV. 1455, 1473 (2002).} In a number of cases, the owner of a utility patent has sought to extend that protection to the configuration of the product itself, where that configuration was the subject of the patent, or the inevitable outcome of the patented process. Although both fall under the general heading of intellectual property, trademarks are very different creatures from utility patents in practice. While a utility patent must be shown to be useful,\footnote{35 U.S.C. § 101, restricting patentability to “useful” inventions or discoveries, or improvements thereto.} a trademark is expressly forbidden from having that characteristic\footnote{15 U.S.C. § 1052(e)(5), prohibiting registration of a mark that “comprises any matter that, as a whole, is functional.”} (aside from its obvious utility as a source-identifier).

\textit{Kellogg Co. v. National Biscuit Co.}\footnote{305 U.S. 111 (1938).} is a famous explication of a raw effort to capture precisely such an attempted transition. Kellogg undertook the sale of pillow-shaped biscuits of shredded wheat, which resembled those made by Nabisco, using a machine which was the subject of a recently expired patent.\footnote{Id. at 113. The patent had been purchased by Kellogg from a predecessor in interest. \textit{Id.}} Nabisco asserted that the shape of its biscuits was protected trade dress,\footnote{Id. at 116.} but the Court rejected this effort, reasoning that the pillow-shape “was dedicated to the public” upon the expiration of the patent for a machine that made biscuits in that shape.\footnote{Id. at 117.} More recently, the Supreme Court held in \textit{TrafFix Devices Inc. v. Marketing Displays}
Inc. that an expired utility patent was presumptively functional, hence not amenable to trademark protection.\footnote{523 U.S. 23 (2001)}

Despite this barrier to direct imposition of trademark protection on a formerly patented configuration, patent owners have numerous other means to build brand recognition in connection with a patented product. Most directly, they may use a brand name with such ubiquity that the name of the brand becomes connected in the minds of consumers with the product itself. Taken too far, this can result in the brand name becoming generic, as has occurred with formerly registered trademarks such as “aspirin” and “escalator,” a fate which also previously befell the Singer mark for sewing machines (which has since been restored), and the aforementioned Shredded Wheat.\footnote{Parchomovsky and Siegelman, supra note 141, at 1471.}

As noted above, the Federal Circuit and the Supreme Court have found that trademark and patent are also brought together by the line that that divides them. Indeed, the appropriate protection to be sought for a novel configuration may itself be a close question. Furthermore, another area of patent law exists which overlaps with trademark, that being the design patent.\footnote{See 25 U.S.C. § 171, granting patent protection to “new, original and ornamental design for an article of manufacture.”} The exclusive jurisdiction of the Federal Circuit with respect to design patents is identical to its jurisdiction over utility patents, as § 1338(a) does not distinguish between the two,\footnote{28 U.S.C. § 1338(a) states only that “[t]he district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents.” \textit{See also}, e.g., Arminak & Assocs. v. Saint-Gobain Calmar, Inc., 501 F.3d 1314, 1319 (Fed. Cir. 2007) (finding jurisdiction under 28 U.S.C. § 1295(a)(1) over an appeal from a case brought in the district court on a claim of infringement of design patents).} nor does
§1295(a)(1) contain an exemption for jurisdiction over design patents comparable to its exemptions for other non-patent areas of intellectual property. The same matter may simultaneously be covered by a design patent, a trademark registration, and a copyright registration. However, while a design patent expires after fourteen years, a trademark registration can be maintained indefinitely.

The Federal Circuit’s determination that the sweep of patent law may extend to cover other areas that, while not strictly covered under the patent laws, are so closely entwined with them to justify the imposition of a single federal rule has a useful parallel in the larger realm of federal civil procedure. The Supreme Court itself observed in Sola Electric Company v. Jefferson Electric Company that the Erie doctrine, which normally mandates that federal courts hearing claims brought under state law hew to the law of the state in which they sit, “is inapplicable to those areas of judicial decision within which the policy of the law is so dominated by the sweep of federal statutes that legal relations which they affect must be deemed governed by federal law

152 28 U.S.C. §1295(a)(1) grants the Federal Circuit jurisdiction over appeals from cases brought in district courts “based, in whole or in part, on section 1338 of this title,” but exempts from this jurisdiction claims “arising under any Act of Congress relating to copyrights, exclusive rights in mask works, or trademarks.”

153 See, e.g., I.P. Lund Trading ApS v. Kohler Co., 163 F3d 27, 48 (1st Cir. 1998) (“The possibility of obtaining a design patent is not dispositive of the availability of trade dress protection; more than one form of intellectual property protection may simultaneously protect particular product features”); Ferrari SPA v. Roberts, 944 F2d 1235 (6th Cir. 1991) (finding trade dress protection for matter covered by an expired design patent); In Re Magen David Wine Corp., 328 F2d 925 (CCPA 1964) (same); In Re Yardley, 493 F2d 1389, 181 USPQ 331 (CCPA 1974) (upholding issuance of a design patent for a copyrighted design).

154 35 U.S.C. § 173 (stating in its entirety that “[p]atents for designs shall be granted for the term of fourteen years from the date of grant”).

155 THOMAS McCARTHY, McCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § § 19:142 (4th ed. 1999) (“Lanham Act registrations remain in force for 10 (ten) years and can be renewed indefinitely for ten-year periods”).
having its source in those statutes, rather than by local law."\textsuperscript{156} To the extent that determinations of the scope of trademark law have implications with respect to patent law, it would seem appropriate for the Federal Circuit to have the final say in the meaning of the trademark law thus presented.

4. Regional circuit deference regarding trademark law issues

Where a trademark matter rises from a district court on the tails of a patent claim,\textsuperscript{157} the Federal Circuit applies regional circuit law to the trademark claim. A typical example of this is the brief decision in \textit{McZeal v. Sprint Nextel Corp.}\textsuperscript{158} The plaintiff in that case pressed both patent and trademark claims, and so the patent claim carried up with it the trademark claims under the Federal Circuit’s pendant jurisdiction. The Federal Circuit found the trademark issues easily addressed. First, the lower court had improperly granted judgment for failure to state a claim, but even in a complaint that the district court had dismissed as “irreparable,” the Federal Circuit found that the plaintiff “indeed pled the required elements of a trademark infringement claim.”\textsuperscript{159} Second, the district court had ruled the allegedly infringed mark to be generic.\textsuperscript{160} The Federal Circuit not only found this to be incorrect based on the factual nature of the genericism inquiry, but it cited for authority a decision of the regional circuit in which this district court

\textsuperscript{156} 317 U.S. 173 (1942).

\textsuperscript{157} This author could find no instance of a trademark claim coming to the Federal Circuit by association with a case brought in a district court under the “Little Tucker Act.”

\textsuperscript{158} 501 F.3d 1354 (Fed. Cir. 2007).

\textsuperscript{159} \textit{Id.} at 1358.

\textsuperscript{160} \textit{Id.}
There is no dearth of authority from the Federal Circuit supporting that proposition, but in what was effectively a symbolic nod to the Fifth Circuit, the Federal Circuit reached into the precedent of its sister circuit. The use of regional circuit trademark precedent is pronounced in more involved cases.

It is questionable, however, whether the Federal Circuit is correct to defer on some other trademark matters. Having appellate jurisdiction over the TTAB, the Federal Circuit is in at least as authoritative a position as any regional Circuit to say what is and should constitute a generic or merely descriptive phrase, a functional configuration, or a scandalous and immoral mark. This is particularly the case where a district court has been asked to command action on the part of the USPTO, such as cancellation of a subsisting registration. Indeed, with respect to functionality, at least, the Federal Circuit has a distinct advantage in expertise, the trademark law of functionality

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162 See, e.g., In re Reed Elsevier Props., 482 F.3d 1376 (Fed. Cir. 2007) (“Whether a mark is generic is a question of fact…”); In re Oppedahl & Larson LLP, 373 F.3d 1171, 1173 (Fed. Cir. 2004) (“[P]lacement of a mark on the fanciful-suggestive-descriptive-generic continuum is a question of fact, which this court reviews for substantial evidence”); In re Nett Designs, Inc., 236 F.3d 1339, 1341 (Fed. Cir. 2001) (same); In re Dial-A-Mattress Operating Corp., 240 F.3d 1341, 1344 (Fed. Cir. 2001) (“Placement of a term on the fanciful-suggestive-descriptive-generic continuum is a question of fact.”); In re Merrill Lynch, Pierce, Fenner & Smith, Inc., 828 F.2d 1567, 1570 (Fed. Cir. 1987) (“The Board found that the term CASH MANAGEMENT ACCOUNT is generic or commonly descriptive, not “merely descriptive”. This finding of fact is reviewed for clear error.”); In re Northland Aluminum Products, Inc., 777 F.2d 1556, 1559, 227 U.S.P.Q. (BNA) 961, 963 (Fed. Cir. 1985) (“Whether a term is a common descriptive name is a question of fact’’); Dan Robbins & Assocs., Inc. v. Questor Corp., 599 F.2d 1009, 1014, 202 U.S.P.Q. (BNA) 100, 105 (CCPA 1979).

being in essence the negative of the patent law governing the same characteristic. As the Supreme Court noted in TrafFix Devices:

In a case where a manufacturer seeks to protect arbitrary, incidental, or ornamental aspects of features of a product found in the patent claims, such as arbitrary curves in the legs or an ornamental pattern painted on the springs, a different result might obtain. There the manufacturer could perhaps prove that those aspects do not serve a purpose within the terms of the utility patent. The inquiry into whether such features, asserted to be trade dress, are functional by reason of their inclusion in the claims of an expired utility patent could be aided by going beyond the claims and examining the patent and its prosecution history to see if the feature in question is shown as a useful part of the invention.\(^{164}\)

Nor is the Federal Circuit lacking in precedent from which to draw in determining matters of trademark law, for at its outset, the Federal Circuit chose to adopt as precedent the decisions of predecessor courts, the Court of Claims and the CCPA.\(^{165}\) It is reported that “other courts frequently cite Federal Circuit and TTAB opinions when looking for guidance” with respect to “such issues as confusion and functionality.”\(^{166}\) This characterization is borne out by an examination of cases decided by the regional circuits. Although they lean most heavily on their own precedent, every regional circuit has had occasion to cite multiple Federal Circuit cases as authorities for substantive trademark law.\(^{167}\) Federal Circuit decisions responsive to appeals from

\(^{164}\) TrafFix Devices, 532 U.S. at 34 (emphasis added).

\(^{165}\) South Corp. v. United States, 690 F.2d 1368 (Fed. Cir. 1982).


Third Circuit: Marshak v. Treadwell, 240 F.3d 184, 196 (3d Cir. 2001) (fraudulent claim of mark ownership) citing Metro Traffic Control, Inc. v. Shadow Network Inc., 104 F.3d 336, 340 (Fed. Cir. 1997), G.H. Mumm & CIE v. Desnoes & Geddes, Ltd., 917 F.2d 1292, 1296 (Fed. Cir. 1990), and Torres v. Cantine Torresella S.r.l, 808 F.2d 46, 49 (Fed. Cir. 1986), and Rivard v. Linville, 133 F.3d 1446, 1448-49 (Fed. Cir. 1998);
the TTAB regarding the likelihood of confusion between two marks can not be binding on regional circuits considering infringement actions. As the Federal Circuit itself observed in *Mayer/Berkshire Corp. v. Berkshire Fashions, Inc.*,\(^{168}\) the likelihood of confusion inquiry associated with a trademark infringement action is a very different matter than the likelihood of confusion inquiry which the USPTO undertakes to determine registrability of a mark across a specified class of goods.

Another factor militating against the applicability of Federal Circuit precedent to likelihood of confusion concerns is the propensity of the trademarks themselves to be “regional.”

Unlike patents, for which rights are granted for the entire United States, or not at all,\(^{169}\) the same

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\(^{168}\) 424 F.3d 1229, 1234 (Fed.Cir.2005).

\(^{169}\) *See, e.g.*, 35 U.S.C. § 271(a), stating in relevant part:
trademark may have different owners in different geographic areas. As the Federal Circuit has noted, “[o]ne of the exceptions to the blanket rule of registration is whether a likelihood of confusion exists between the marks.” This observation relates to 15 U.S.C. § 1052(d), which sets forth the prohibition on the later registration by one party of a mark already in use by another, but provides:

\[
\text{…if the Director determines that confusion, mistake, or deception is not likely to result from the continued use by more than one person of the same or similar marks under conditions and limitations as to the mode or place of use of the marks or the goods on or in connection with which such marks are used, concurrent registrations may be issued to such persons when they have become entitled to use such marks as a result of their concurrent lawful use in commerce…}
\]

Federal registrations of identical marks used with respect to identical goods may therefore be obtained through a concurrent use proceeding. However, it must be noted that such a

Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.

(emphasis added).


173 See Trademark Trial and Appeal Board Manual of Procedure (“TBMP”) § 1103.01(b) (2004). Note, however, that issuance of a concurrent use registration may also be ordered by a federal district court “when a court of competent jurisdiction has finally determined that more than one person is entitled to use the same or similar marks in commerce.” 15 U.S.C. § 1052 (d). See, e.g., Holiday Inns, Inc. v. Holiday Inn, 364 F. Supp. 775, 786-87 (D.S.C.1973), aff’d 1974 U.S. App. LEXIS 8226, 182 U.S.P.Q. (BNA) 129 (4th Cir. 1974).
proceeding is conducted through the TTAB.\textsuperscript{174} Thus, appellate authority over the applicability of concurrent use itself is firmly committed to the Federal Circuit.\textsuperscript{175} Furthermore, regional use does not excuse an asserted mark from failing for any number of other concerns, including genericism or descriptiveness, deceptiveness, primarily merely constituting a surname, comprising a state or national flag, functionality, or constituting immoral, disparaging, or scandalous matter. In no case has one of these prohibitions been set aside because the mark was only in use in a limited geographic area, and the matter governed by the mark would run afoul of one or another of those prohibitions elsewhere in the United States, but not in that area. Thus, it is possible, and possibly advisable, to have a single, truly national trademark law with respect to trademark issues that are not susceptible to regional variations. Although trademark law as a general matter is not committed to the Federal Circuit, appeals from the agency of the federal government most authoritative as to these matters are so committed, placing the Federal Circuit in a place unique among all the circuits for exercising review of the trademark law as a national concern.

5. **State trademark law concerns**

The Federal Circuit, through its ancillary jurisdiction, is also called upon to interpret state law claims of trademark infringement and unfair competition. At least one commentator has urged that federal courts generally “should decide interstate unfair competition claims solely under federal law” based on commerce, due process, and full faith and credit concerns arising

\textsuperscript{174} Id.

\textsuperscript{175} See section V. A. 1., supra.
from efforts to use federal courts to apply state laws extraterritorially.\textsuperscript{176} Such concerns have been called upon to invalidate a nationwide injunction which would have imposed the right of publicity laws of one state on the entire country, despite the absence of comparable laws in other states.\textsuperscript{177} In any event, federal courts often gloss over state trademark laws by presuming that their effects are simply identical to their federal counterparts.\textsuperscript{178}

There is no parallel with patent, as the states are forbidden from issuing patents,\textsuperscript{179} a prohibition that goes so far as to bar state use of trademark law to protect matters that would fall within the scope of federal utility patents,\textsuperscript{180} or to protect inventions that fell short of the requirements for obtaining federal patent protection.\textsuperscript{181} With respect to patent-like protection in the guise of trademark law, this limitation also brings to bear the particular expertise of the Federal Circuit in determining precisely the boundary between patent and trademark.


\textsuperscript{177} Herman Miller, Inc. v. Palazzetti Imps. & Exps., Inc., 270 F.3d 298, 327 (6th Cir. 2001) (stating that “Courts should exercise caution in extending the right of publicity to states that do not recognize that right”).


\begin{quote}
Even when a federal court does examine state law, the result is usually a finding that because the state does not have “a well developed body of trademark caselaw, fundamental trademark principles will be applied to the common law claims.” These “fundamental principles” pervade the adjudication of unfair competition claims.
\end{quote}


\textsuperscript{180} \textit{Id}.

VI. Conclusion

The Federal Circuit’s jurisdiction over patent matters is nearly inviolate, while its review of trademark matters is relatively limited, and to some degree a matter of historical accident. Nevertheless, the court’s authority to review administrative decisions establishing registrability of marks neatly correlates with the relationship between patent and trademark.

Where the Federal Circuit exercises its ancillary jurisdiction over trademark matters arising in patent cases, an effective argument can be made that it should look to its own precedent in deciding such matters. In areas where they hinge on questions under the peculiar purview of the USPTO, such as genericism and functionality, the grant of appellate jurisdiction over the TTAB raises an expectation that the Federal Circuit will be able to exercise a level of expertise that outweighs the tendency of the regional circuits to have greater experience in regional law. Congruent to this appellate authority is the relationship between certain questions of trademark law, particularly the boundary between trade dress and patent, bringing those questions within the realm of non-patent questions to which the Federal Circuit applies its own law in order to maintain the uniformity of patent law itself.

Although plaintiffs having a colorable patent claim may then have the opportunity to manipulate which trademark law applied to their cases, the considerations that would justify the Federal Circuit in applying its own law to such questions provide equal incentive for the regional circuits to defer to the Federal Circuit on these questions. The circle would be closed and forum shopping would be suppressed if the regional circuits would defer to the Federal Circuit on these specific questions of trademark law, as the post-Vornado experience suggests they will with respect to the rare patent matter decided by a regional circuit court.