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Wrongly Affirmed Without Opinion

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Wrongly Affirmed Without Opinion

DENNIS CROUCH*

Abstract: Many see the Court of Appeals for the Federal Circuit as *the patent court* because of its national jurisdiction over patent cases and its congressional mandate to strengthen and bring uniformity to the patent system, presumably through precedential decision-making. Oddly, for the past few years most of the court's merits decisions in Patent and Trademark Office appeals have not been released with precedential opinions – or even non-precedential opinions for that matter. Rather, most are filed as judgments without any opinion at all. The court's is surprising considering the current high levels of uncertainty the very areas of patent law doctrine and procedure that are being decided without opinion.

This short article raises a surprisingly simple but novel argument: the Federal Circuit is required by statute to issue an opinion in these PTO appeals. As I explain, the statute is plain and clear and is supported by strong policy goals. The court's recent spate of hidden decisions is threatening its public legitimacy. I respect the members of this court so much, and I hope they will use this opportunity to take the next step in the right direction.

DRAFT ARTICLE

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I. INTRODUCTION

In his 1909 treatise on appellate jurisdiction, the future Justice Cardozo explained the role of appellate courts – not simply "declaring justice between man and man, but of settling the law."[1] In Cardozo's view, the appellate courts exist "not for the individual litigant, but for the indefinite body of litigants, whose causes are potentially involved in the specific cause at issue."[2] Cardozo's vision more than a century past ago still resonates, and the creation of precedential opinions form a mainstay of appellate court activity nationwide.

However, there is one court of appeals quite different from the rest. The Court of Appeals for the Federal Circuit issues a substantial number of "Rule 36" affirmances without any opinion at all.[3] In fact, *most* of the court's Patent Office merits decisions are being released as so called judicial orders as permitted the court's local rule for "judgment of affirmance without opinion."[4] Although frustrating for parties and court watchers, the approach likely provides substantial short term efficiency gains for the court that has seen a sharp rise in the number of appeals following a set of dramatic statutory revisions and Supreme Court holdings.[5]

The Federal Circuit has repeatedly made clear that its Rule 36 judgments are not opinions, that they offer no reasons for judgment, and that the judgments should not be read as accepting any of the reasoning or findings of the lower court.[6] Although many have complained about the no-opinion

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[1] Benjamin N. Cardozo, Jurisdiction of the Court of Appeals (2d ed. 1909) § 6; quoted in Philip Marcus, *Affirmance Without Opinion*, 6 Fordham L. Rev. 212, 213 (1937).

[2] *Id*.

[3] Fed. Cir. R. 36.

[4] *Id*., See, for example, *International Controls and Measurement Corp. v. Honeywell Intern. Inc*., 2016 WL 945294 (Fed. Cir. March 14, 2016) (R.36 judgment without opinion).

[5] See Philip Marcus, *Affirmance Without Opinion*, 6 Fordham L. Rev. 212 (1937) (Describing "affirmance without opinion" as "a phenomenon which at one time or another is an unwelcome visitor in almost every law office.").

[6] See *Rates Technology, Inc. v. Mediatrix Telecom, Inc*., 688 F.3d 742, 750 (Fed. Cir. 2012)("Since there is no opinion, a Rule 36 judgment simply confirms that the trial court entered the correct judgment. It does not endorse or reject any specific part of the trial court's reasoning. In addition, a judgment entered under Rule 36 has no precedential value and cannot establish 'applicable Federal Circuit law.'"); *TecSec, Inc. v. International Business Machines Corp*., 731 F.3d 1336, 1341-44 (Fed. Cir. 2013) (neither issue preclusion, the mandate rule or law of the case applied to an R.36 judgment because

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judgments, no one has yet suggested that the practice violates federal statutory law.

In this article, I make the novel argument that the appellate court's steady practice of no-opinion judgments is contrary to law. Both the Patent Act and the Lanham Act require the Federal Circuit to provide an opinion when issuing a judgment on an appeal from the Patent & Trademark Office (PTO).[7] In particular, both statutes indicate that, upon determination of the case, the Federal Circuit "shall issue … its mandate and opinion."[8] Quite simply, Rule 36 Judgments are not opinions and thus do not satisfy the opinion requirement.

As Justice Cardozo explained, long appellate tradition favors explanatory opinions. In addition, the well-known public-notice concerns associated with patent and trademark rights help justify the statutory requirement that opinions be written and included within the publicly available patent or trademark application file history.[9] This approach is also consistent with the agency law mandate that requires full explanatory written judgments both by examiners and the administrative trial boards (PTAB and TTAB).[10]

The gap in appellate practice has become critical with the advent and popularity of post-issuance patent review proceedings (termed 'AIA trials').[11] In addition to their large numbers and higher probability of appeal when compared to traditional *ex parte* proceedings, USPTO decisions regarding AIA trials are more likely to be nuanced and directly tied to

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the lower court decision had been granted on two independent alternate bases.); Fed. Cir. R. 36 itself that identifies the process as offering a judgment without opinion.

[7] See 35 U.S.C. § 144 (patent cases) and 15 U.S.C. § 1071(a)(4) (trademark cases).

[8] *Ibed*.

[9] See, e.g., *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 732 (2002) (explaining, *inter alia*, the prosecution history documents as important public notice elements); Karen Millane Whitney, *Sources of Patent Prosecution History Must Not Violate Public Notice Requirement*, 32 Seton Hall L. Rev. 266 (2001) ("Public notice is of paramount importance for providing certainty and predictability as to the scope of patent protection."); Jacob S. Sherkow, *Administrating Patent Litigation*, 90 Wash. L. Rev. 205 (2015) (discussing the "public nature of most patent disputes").

[10] See *In re Nuvasive, Inc*., 842 F.3d 1376, 1380 (Fed. Cir. 2016) (PTAB must fully explain its judgment).

[11] See, Ryan J. Gatzemeyer, *Are Patent Owners Given A Fair Fight? Investigating the AIA Trial Practices*, 30 Berkeley Tech. L.J. 531 (2015) (explaining the newly created proceedings and their surprising popularity).

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pending infringement litigation. However, in 2015 and 2016, the Federal Circuit released hundreds of no-opinion judgments in these very cases.

After an introductory historical section, The article inches through the construction of the statutory provision—asking whether the statutes actually require that the court issue opinions and whether the Federal Circuit's Rule 36 judgment orders should be deemed 'opinions' under the statute. In addition to the plain language analysis, I look to the legislative history; policy goals; and comparative provisions in the U.S. Code and Rules of Appellate Procedure. Finally, the article offers a 'what next' scenario for the court and parties.

II. BACKGROUND AND HISTORY OF THE APPELLATE PROCESS FOR CASES STEMMING FROM THE PATENT & TRADEMARK OFFICE

In general, decisions by the Patent Trial & Appeal Board (PTAB)[12] and Trademark Trial & Appeal Board (TTAB) are appealable to the Court of Appeals for the Federal Circuit.[13] These administrative judgments stem from both *ex parte* and contested cases.[14]

The statutes provide that on appeal the Federal Circuit "shall review the decision from which the appeal is taken on the record before the United States Patent and Trademark Office."[15] The statutes then require that, "[u]pon its determination the court shall issue to the Director [of the Patent and Trademark Office] its mandate and opinion, which shall be entered of record in the Patent and Trademark Office and shall govern the further proceedings in the case."[16] It is this statutory requirement—"shall issue . . .

[12] The Patent Trial & Appeal Board was formerly known as the Board of Patent Appeals & Interferences. Its name was changed as part of the Leahy-Smith America Invents Act of 2011, H.R. 1249, 112th Cong. (1st Sess.2011) (AIA) that introduced AIA Trials and eliminated prospective interference proceedings.

[13] Patent appeals may be taken in cases involving ex parte examination, reexaminations, AIA trials, derivation proceedings, and interferences. 35 U.S.C. § 141. Trademark appeals may stem from a registration, interference, opposition, or cancellation proceeding. 15 U.S.C. § 1071(a)(1). In certain cases, a party may choose instead to challenge PTO decisions by filing a civil action in federal district court. See 35 U.S.C. § 145 and 15 U.S.C. § 1071(b).

[14] *Ibed*.

[15] 35 U.S.C. § 144; 15 U.S.C. § 1071(a)(4).

[16] *Ibed*.

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its . . . opinion"—that I suggest requires the court to provide an opinion explaining the bases for determination.

A. *History of the Statutory Provisions Requiring a Written Opinion*

The statutory provisions at issue reach back to at least the year 1893 and the creation of the Circuit Court of Appeals for the District of Columbia. In its enacting statute, the DC Circuit Court of Appeals was authorized to pass judgment on appeals from the Commissioner of Patents.[17] The provision required "[t]hat the opinion of the said court of appeals in every case shall be rendered in writing, and shall be filed in such case as a part of the record thereof."[18] In 1929, jurisdiction over these appeals shifted to the Court of Customs & Patent Appeals (CCPA).[19] The CCPA authorizing statute required that "the opinion of the Court . . . in every case on appeal from decision of the Patent Office shall be rendered in writing, and shall be filed in such case as part of the record thereof, and a certified copy of said opinion shall be sent to the Commissioner of Patents and shall be entered of record in the Patent Office."[20] The statute was again rewritten with the Patent Act of 1952. At that time Congress added the language that the CCPA's decisions "shall be confined to the points set forth in the reasons for appeal."[21] The revised 1952 statute no longer expressly required a written opinion, but did require that "upon its determination the court shall return to the Commissioner a certificate of its proceedings and decision, which shall be entered of record in the Patent Office and govern further proceedings in the case."[22] In 1962, the Lanham Act was also amended to require that the CCPA's decisions in trademark appeals "be confined to the points set forth in the reasons of appeal" and that a certification of decision

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[17] An Act To establish a court of appeals for the District of Columbia, and for other purposes, 52 Cong. Ch. 74, February 9, 1893, 27 Stat. 434 at Section 9. The Patent Act of 1836 provided for a "board of examiners" appointed by the Secretary of State that has power to overturn decisions of the Patent Commissioner. Patent Act of 1836, Ch. 357, 5 Stat. 117 (July 4, 1836). Nothing in that statute expressly required a written opinion from the selected board, but only that each board member should receive a sum not exceeding ten dollars. *Id*.

[18] *Id*. at Section 10.

[19] An Act to Change the Title of the United States Court of Customs Appeals, and for Other Purposes, 70 Cong. Ch. 488, March 2, 1929, 45 Stat. 1475.

[20] *Id*.

[21] 35 U.S.C. § 144 (1952).

[22] *Id*.

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be provided to the Patent Office Commissioner that then be entered of record.[23] The Court of Appeals for the Federal Circuit was created in 1982 as the successor court and replacement of CCPA and authority was shifted to the new appellate court. In 1984 the statutes were amended again – this time re-introducing the aforementioned opinion requirement that continues to be in effect.[24]

Unfortunately, legislative history does not explain the reasons for addition of the opinion requirement in 1984 or its elimination in 1952. According to the accompanying House Judiciary Committee report, the amendments were associated with a streamlining of procedures—a "cost-saving provision."[25] However, those cost savings were expected to be generated by elimination of the statutory requirement for certified copies of papers and evidence being used in the appeal.[26] The legislative history made no mention of the new opinion requirement or why it was included in the revision.

The lack of legislative history for the 1984 opinion requirement is at least partially explained by context. At the time of the bill's passage, the Federal Circuit's standard operating procedure was to write opinions in *all* cases – a practice that it had adopted from its predecessor court the CCPA who appears to have maintained that practice for the entirety of its existence. Thus, the longstanding *status quo* in 1984 was that all appeals from the Patent and Trademark Office received a written opinion explaining the judgment. As such, I interpret see the legislative requirement more as a codification of practice and returning to statutory roots rather than a 'fix' or change of expectations.[27]

Although seemingly unique at the federal appellate level, the requirement is not unique to American law. The Federal Rules of Civil Procedure, for instance, require district judges to "find the facts specially and state its

[23] Pub. L. No. 87-772, § 12, 76 Stat. 769, 771-72 (1962).

[24] PL 98–620 (HR 6163), PL 98–620, November 8, 1984, 98 Stat 3335. (amending both the patent and trademark statutes in parallel).

[25] House Report (Judiciary Committee), H.R. REP. 98-619, 5, 1984 U.S.C.C.A.N. 5794, 5796-97.

[26] *Id.*

[27] Ted Sichelman, *Patent Law Revisionism at the Supreme Court?*, 45 Loy. U. Chi. L.J. 307, 308 (2013) ("When Congress passes a statute codifying judicial doctrine, the judiciary is expected to read that doctrine with fidelity.").

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conclusions of law separately."[28] Similarly, district court judges must "state in open court the reasons" for imposing a particular criminal sentence.[29] A number of states have also imposed requirements upon their appellate courts expressly justify their judgments.[30] In addition, a general principal of federal administrative law requires written explanations of adverse judgment.[31] And, the Federal Circuit itself has repeatedly rejected decisions from below for failing to fully explain their decisions.[32]

B. *History of the Federal Circuit's Local Rule Allowing Judgment Without Opinion*

Written opinions were uncommon in *early* English common law.[33] Although American appellate courts have always kept to the tradition of writing opinions explaining their judgment, no-opinion judgments have also remained popular throughout the nation's history. For instance, in his 1937

[28] Fed. R. Civ. Pro. R. 52(a).

[29] 18 U.S.C §35.53(c) (2012).

[30] Arizona Constitution Art VI, Section 2 ("The decisions of the court shall be in writing and the grounds stated.) California Constitution, Art VI, Section 6 (Supreme Court and Appellate Court must make determinations "in writing with reasons stated."); Maryland CONST. art. IV, §15 (Supreme Court determinations must be in "an opinion, in writing"); MICH. CONST. art. VI, §6 ("Decisions of the supreme court...shall be in writing and shall contain a concise statement of the facts and reasons for each decision and reasons for each denial of leave to appeal."); OHIO CONST. art. IV, §2(C) ("The decisions in all cases in the Supreme Court shall be reported, together with the reasons therefor."); WASH. CONST. art. IV, §2 ("In the determination of causes all decisions of the [supreme] court shall be given in writing and the grounds of the decision shall be stated."); W. VA. CONST. art. VIII, §4 (supreme court shall file the reasons for decision in writing). See also Rene Lettow Lerner, *International Pressure to Harmonize: The U.S. Civil Justice System in an Era of Global Trade*, 2001 B.Y.U. L. Rev. 229, 287 (2001) ("Each of the arbitration regimes specified under NAFTA requires that the award be in writing and the reasons stated."); and Tex. R. App. P. 47.1 (requires brief but complete decisions from the court of appeals).

[31] Martin Shapiro, The Giving Reasons Requirement, 1992 U. CHI. LEGAL F. 179; See *In re Nuvasive, Inc*., 842 F.3d 1376, 1380 (Fed. Cir. 2016) (PTAB must fully explain its judgment).

[32] *Cutsforth v. MotivePower*, 2016 WL 279984 (Fed. Cir. Jan 22, 2016) ("Because the Board did not adequately describe its reasoning for finding the claims obvious, we vacate and remand for further proceedings."); *In re Sang–Su Lee*, 277 F.3d 1338 (Fed. Cir. 2002) ("The agency tribunal must make findings of relevant facts, and present its reasoning in sufficient detail that the court may conduct meaningful review of the agency action."). See Dennis Crouch, *Board Must Explain its Decisions*, Patently-O (January 22, 2016) at http://patentlyo.com/patent/2016/01/federal-circuit-decisions.html.

[33] Philip Marcus, *Affirmance Without Opinion*, 6 Fordham L. Rev. 212, 213 (1937).

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article *Affirmance Without Opinion*, Philip Marcus found that *most* of the judgments issued by the New York Court of Appeals (the highest New York state court) 1934-1935 were decided without opinion.[34] The US Supreme Court has also relied upon the practice through summary affirmances[35] and GVR mandates.[36]

In 1982, in its very first issued decision, the Federal Circuit adopted as binding precedent all decisions of its predecessor courts, including the United States Court of Customs and Patent Appeals.[37] That decision, was facilitated by the fact that the CCPA only issued precedential opinions when deciding merits cases. As it began its process, the Federal Circuit also followed this tradition by writing opinions in all cases.

The Federal Circuit's predecessor court, the CCPA, perhaps came closest to reckoning with the requirement of a written opinion in its 1944 *Hamer v. White* decision.[38] In *Hamer*, the court affirmed the patent board's decision in an interference proceeding between two sets of competing patent applicants. Rather than writing a complete opinion explaining the issues and its judgment, the court decided to accept the Board's findings. In doing so, however, the 1946 panel's output differed greatly from contemporary Rule 36 affirmances without opinion – notably, the court wrote several pages of text that identified and challenged particular aspects of the Board's opinion as well as the parties' arguments.[39] *Hamer* did include an interesting statement regarding the court's duty of a written opinion when reversing.

> The decisions of the board, of course, will be available to all who may care to read it after our decision shall have been

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[34] *Id*. See also, Lee Van der Voo, *Unwritten Opinions Hard to Erase at the Oregon Court of Appeals* (2015) ("more than half the cases reviewed by the state's second-to-highest court end up unchanged, with no written explanation for why the court didn't tinker with them.") at http://invw.org/2015/09/16/unwritten-opinions-hard-to-erase-at-the-oregon-court-of-appeals/.

[35] See, *Akron v. Akron Ctr. for Reproductive Health, Inc.*, 462 U.S. 416, 433 n.18 (1983) (explaining the result of a summary affirmance).

[36] See Aaron-Andrew P. Bruhl, *The Supreme Court's Controversial Gvrs-and an Alternative*, 107 Mich. L. Rev. 711 (2009).

[37] *South Corp. v. United States*, 690 F.2d 1368, 1369 (Fed. Cir. 1982). Martha Dragich, *Citation of Unpublished Opinions As Precedent*, 55 Hastings L.J. 1235, 1307 (2004).

[38] *Hamer v. White*, 31 C.C.P.A. 1186, 1189, 1944 CCPA LEXIS 81, 143 F.2d 987, 62 U.S.P.Q. (BNA) 285 (C.C.P.A. 1944).

[39] *Id*.

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> published. Any written review of the evidence made by us could be little more than a paraphrase of what the board said. Were we reversing the decision of the board it would be incumbent upon us to give a written review and point out the reasons for disagreement. Since we are affirming, no such review is necessary.[40]

The opinion did not provide any citation for the source of this full review requirement. The statutory law would have been an obvious source since, at the time, the statute required "the opinion of the Court . . . in every case on appeal from decision of the Patent Office shall be rendered in writing."[41] That same year, the court in *Kenyon v. Platt* came to a parallel conclusion – writing that "it would serve no useful purpose to here restate in detail the attempts shown in appellees' voluminous record to prove reduction to practice."[42] However, as in *Hamer*, the *Kenyon* court provided a substantive opinion on the merits even if it did not completely restate the evidentiary conclusions of the Board.[43]

By 1989, however, members of the court recognized the increasing potential of a docket backlog and implemented local Rule 36 to allow for affirmances without opinion.[44] In discussing the rule change then Chief Judge Markey offered this new "third form of disposition where it's not necessary to explain, even to the loser, why he lost."[45] The Internal Operating Procedures (IOP) of the Federal Circuit explain that "[t]he workload of the appellate courts precludes preparation of precedential opinions in all cases" and that "unnecessary … full opinions … impede the rendering of decisions

[40] *Id.*

[41] An Act to Change the Title of the United States Court of Customs Appeals, and for Other Purposes, 70 Cong. Ch. 488, March 2, 1929, 45 Stat. 1475.

[42] *Kenyon v. Platt*, 33 C.C.P.A. 748 (C.C.P.A. 1946).

[43] *Id.*

[44] Fed. Cir. R. 36. See *Transcript of the Seventh Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit*, 128 F.R.D. 409, 420 (1989). The local rules had been originally adopted the prior year, but the new Rule 36 was added by amendment the following year.

[45] *Id.*

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and the preparation of precedential opinions in cases which merit that effort."[46]

Thus, the new rule allowing affirmances without opinion was implemented by unilateral court action five years after Congress amended the statute to require the same court to provide an opinion in PTO cases. And, although any local rule "must be consistent with . . . Acts of Congress,"[47] the Federal Circuit appears to have – up to now – given no consideration to whether its rule violates the statute. Likewise, as noted by Federal Circuit Judge Evan Wallach in a recent article, Rule 36 decisions have only rarely been the subject of academic literature.[48]

The court's rules limit Rule 36 judgments to cases where "an opinion would have no precedential value" and at least one of the following is true:

> (a) the judgment, decision, or order of the trial court appealed from is based on findings that are not clearly erroneous; (b) the evidence supporting the jury's verdict is sufficient; (c) the record supports summary judgment, directed verdict, or judgment on the pleadings; (d) the decision of an administrative agency warrants affirmance under the standard of review in the statute authorizing the petition for review; or (e) a judgment or decision has been entered without an error of law.[49]

Of course, when issuing such a judgment, the court does not identify source of qualification. A number of other circuit courts of appeals have local rules that expressly allow for judgment without opinion.[50]

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[46] Internal Operating Procedures of the Court of Appeals for the Federal Circuit (November 2008) available at http://www.cafc.uscourts.gov/sites/default/files/IOPs122006.pdf. The IOP explanation is written as a justification for non-precedential opinions. The IOP does not directly justify the need for the release of judgments without opinions as opposed to non-precedential opinions.

[47] Fed. R. Appellate Procedure R. 47(a)(1).

[48] Wallach & Darrow, *Federal Circuit Review of USPTO Inter Partes Review Decisions, By the Numbers: How the AIA Has Impacted the Caseload of the Federal Circuit*, 98 J. Pat. & Trademark Off. Soc'y 105, 113 (2016).

[49] Fed. Cir. R. 36.

[50] See 1ST CIR. R. 36(a); 4TH CIR. IOP 36.3; 6TH CIR. R. 36; 10TH CIR. R. 36.1.

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The Federal Circuit is not solely a patent court. Rather, the court handles a wide variety of appeals in addition to those arising from the Patent and Trademark Office. These include appeals arising from the Court of Federal Claims; Court of Appeals for Veterans Claims; various boards of contract appeals; United States Merit Systems Protection Board; United States International Trade Commission; and the United States Court of International Trade.[51] In addition, the Federal Circuit hears patent infringement cases stemming from the various United States district courts.[52] The statutes requiring opinion do not appear to apply to cases arising from these non-PTO fora.

C. Recent Rise in No Opinion Judgments of Patent and Trademark Office Appeals to the Federal Circuit

Over the past few years, the number of PTO appeals to the Federal Circuit has risen dramatically and, as you might expect, so has the percentage of R.36 Judgments.[53] In 2015 and 2016, for instance, the Federal Circuit decided most PTO appeals via R.36 Judgment. Professor Jason Rantanen originally published a version of the tables below and I have recreated them from updated data.[54]

[51] 28 U.S. Code § 1295.

[52] *Id.*

[53] See Jason Rantanen, *Data on Federal Circuit Appeals and Decisions*, Patently-O (June 2, 2016) at http://patentlyo.com/patent/2016/06/circuit-appeals-decisions.html. Jason Rantanen, *Federal Circuit Now Receiving More Appeals Arising from PTO than the District Courts*, Patently-O (2016). See also, *Chief Judge Markey's Eighth Year Report* (1990); and Jennifer A. Tegfeldt, *A Few Practical Considerations in Appeals Before the Federal Circuit*, 3 Fed. Circuit B.J. 237, 248 (1993); Federal Circuit Amicus Brief in *Cpc International, Inc., v. Archer Daniels Midland Company Appeal* Nos. 94-1045, -1060, 4 Fed. Circuit B.J. 269 (1994) (including statistics on the early years of R.36 practice); Marynelle Wilson & Antigone Peyton, *2011 Trademark Law Decisions of the Federal Circuit*, 61 Am. U. L. Rev. 1151 (2012) ("In 2010, the Federal Circuit affirmed 33% of appeals of substantive trademark issues without opinion; in 2011, the court affirmed 40% without opinion.").

[54] [NOTE – the tables below are Prof.Rantanen's, As part of publication, I will include updated tables and will to make this data available to other researchers. Citation to data here.]

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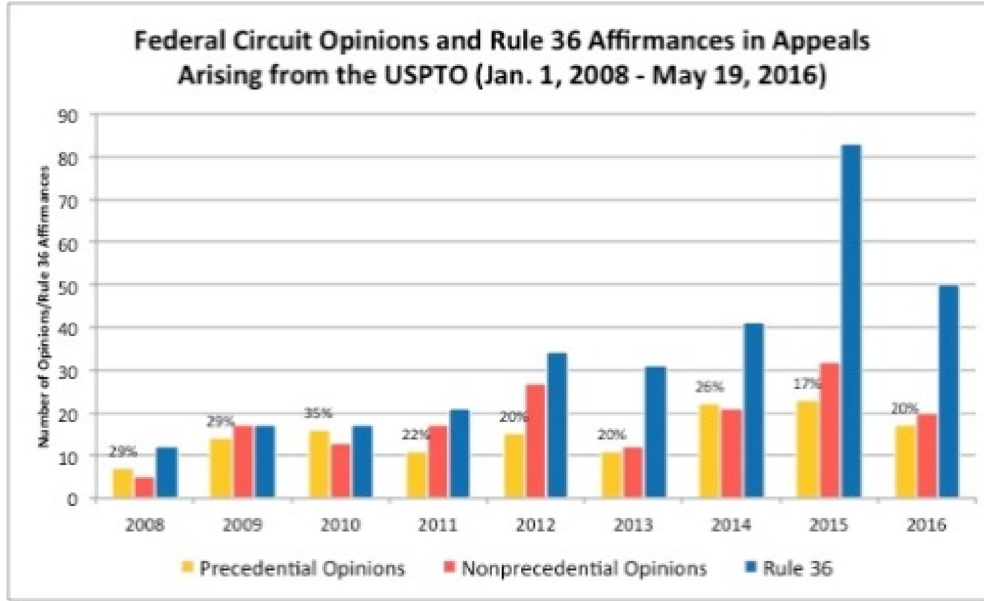

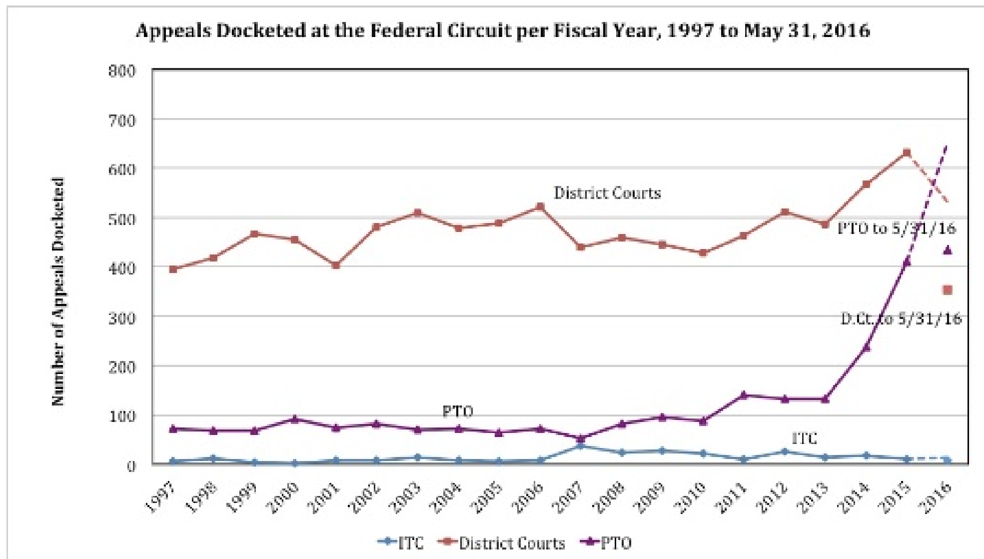

Professor Rantanen writes:

> [T]he use of Rule 36 summary affirmances is indeed rising, both in absolute numbers and as a percentage of dispositions. During 2015 and so far in 2016, the Federal Circuit has resolved more appeals arising from the PTO through Rule 36 summary affirmances than with an opinion.[55]

[55] Jason Rantanen, Data on Federal Circuit Appeals and Decisions, Patently-O (June 2, 2016) at http://patentlyo.com/patent/2016/06/circuit-appeals-decisions.html.

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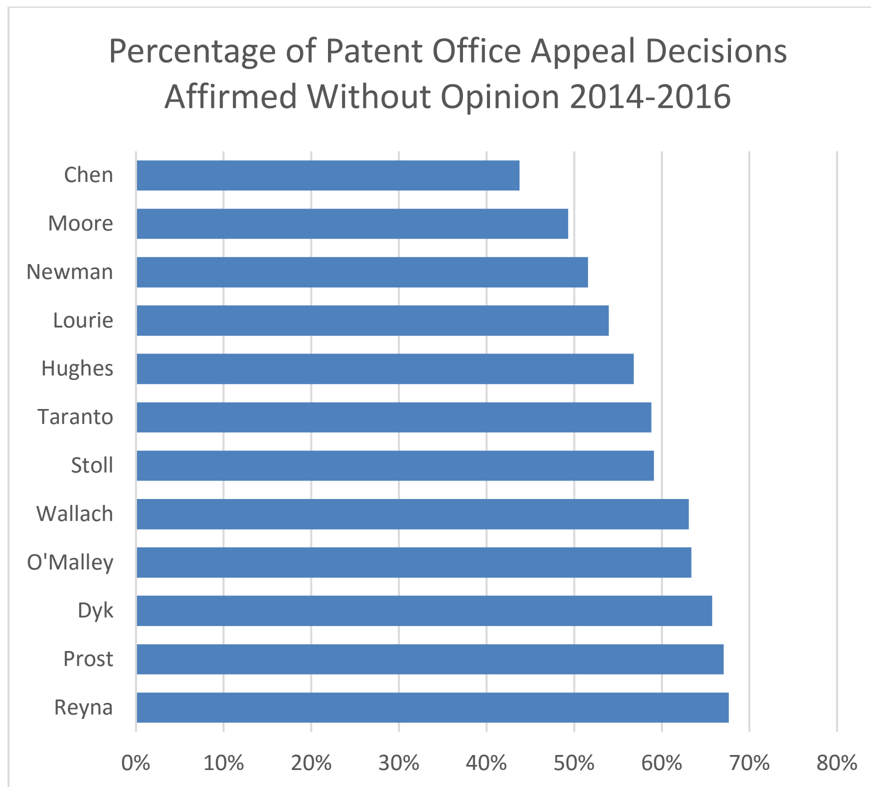
The rise in the absolute number of PTO appeals heard by the Federal Circuit is largely driven by implementation of *Inter Partes* Review procedure authorized by the America Invents Act of 2011. Prior to that, both PTO appeals to the Federal Circuit and the percentage of R.36 judgments had been relatively stable for many years.[56] The Federal Circuit Judges themselves are not uniform in their use of Rule 36 judgments. The chart below shows, for each of the twelve regular judges on the court, the percentage of patent office appeal cases decided during the years 2014 - 2016 that were affirmed without decision.[57] Judges Chen and Moore are the only judges that are more likely than not to participate in an opinion. Although I included Judge Stoll in the chart, she joined the court in 2015 well after the study-start-date.



[56] Chief Judge Markey's Eighth Year Report (1990); Jennifer A. Tegfeldt, A Few Practical Considerations in Appeals Before the Federal Circuit, 3 Fed. Circuit B.J. 237, 248 (1993).

[57] Data was collected using a series of Westlaw searches of Federal Circuit decisions database. [Again, Data will be linked-to as part of publication].

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One might expect that R.36 Judgments would be used in only non-controversial open-and-shut cases applying long-decided law.[58] However, Peter Harter and Gene Quinn have identified many recent R.36 Judgments that focus on substantial and novel of patent law.[59] In an admittedly one-sided article, the pair writes "the Federal Circuit is simply abnegating its duty [to provide uniform patent doctrine] by refusing to speak on critical issues of patent eligibility under when it has a duty to do so."[60]

Although Harter & Quinn call for Congressional action to fix the problem, the pair did not consider the opinion requirement already found in the statute.[61] I argue here that Congress has already acted and already requires an opinion in these cases.

III. THE MOST DEFENSIBLE CONSTRUCTION OF THE STATUTES IS THAT THE FEDERAL CIRCUIT IS REQUIRED TO ISSUE AN OPINION WHEN DETERMINING THE OUTCOME OF APPEALS FROM THE PATENT & TRADEMARK OFFICE.

The statutes require that the Federal Circuit "shall issue … its mandate and opinion" when deciding appeals from the Patent & Trademark Office.[62] The statutes are so straightforward that it appears almost laughable to argue that no opinion is required. However, as noted above, the court's standard operating procedures have been seemingly in violation of the statutes for more than a quarter century. That longstanding practice thus requires a more complete interpretation of the statute and consideration of whether the court is in violation. In doing this analysis, however, there is little precedential backdrop because it appears that the court has entirely ignored the statutes. Rather than addressing the potential conflict between the law and its procedures, the court has instead taken no steps to expressly consider whether its no-opinion judgments violate the law.[63] This section briefly

[58] *Joshua v. U.S.*, 17 F.3d 378, 380 (Fed. Cir. 1994) (summary affirmance "is appropriate, inter alia, when the position of one party is so clearly correct as a matter of law that no substantial question regarding the outcome of the appeal exists.").
[59] Peter Harter and Gene Quinn, Rule 36: Unprecedented Abuse at the Federal Circuit, IPWatchdog (January 12, 2017) at http://www.ipwatchdog.com/2017/01/12/rule-36-abuse-federal-circuit/id=76971/ (citing a dozen such cases).

[60] *Id*. In this context Harter and Quinn argue that the court is violating its own rule that limits R.36 judgments to cases where the resulting "opinion would have no precedential value."

[61] *Id*.

[62] 35 U.S.C. § 144 (patent cases) and 15 U.S.C. § 1071(a)(4) (trademark cases).

[63] David F. Johnson, *You Can't Handle the Truth!-Appellate Courts' Authority to Dispose of Cases Without Written Opinions*, 22 App. Advoc. 419 (2010) (article does not

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steps through statutory construction of the brief statute and its key word "its … opinion."

Statutory construction begins with the words of the statute and their plain meaning.[64] Says the Federal Circuit, "[w]hen a statute is at issue, we begin with the statutory language."[65] When clear, courts presumptively follow a statute's semantic meaning.[66] "If the statutory language is clear and unambiguous, the inquiry ends with the plain meaning."[67] That plain semantic meaning is derived from text as well as the statutory structure.[68]

In our situation, the primary statutory statement at issue is found in 35 U.S.C. § 144. That section is titled "Decision on Appeal" and is housed within Chapter 13 of the Title 35, U.S. Code. The entire chapter focuses on court challenges of Patent Office decisions. Section 144 is the only provision that discusses the decision on appeal. The provision states in full:

> The United States Court of Appeals for the Federal Circuit shall review the decision from which an appeal is taken on the record before the Patent and Trademark Office. Upon its

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recognize the existence of the particular statute for patent and trademark cases). At least one petitioner challenged the Federal Circuit's Rule 36 practice as "contrary to appropriate appellate judicial procedure." See *petition for writ of certiorari* to the U.S. Supreme Court in *Schoonover v. Wild Injun Prod*., 1995 WL 17035344 (U.S.), *cert denied*, Schoonover v. Wild Injun Prod., 516 U.S. 960 (1995). See also Petition for rehearing, BIOPOLYMER ENGINEERING, INC. (doing business as Biothera), Plaintiff-Appellant, Massachusetts Institute of Technology, Plaintiff, v. IMMUNOCORP and Biotec Pharmacon ASA, Defendants., 2011 WL 1426772 (C.A.Fed.) (challenging R. 36 Judgment for failing to fit within the bounds of the rule itself).

[64] See, William N. Eskridge, Jr., *The New Textualism*, 37 UCLA L. Rev. 621 (1990) (discussing the debate over what level preference should be given to a text's plain meaning).

[65] *McGee v. Peake*, 511 F.3d 1352, 1356 (Fed. Cir. 2008). See also *Williams v. Taylor*, 529 U.S. 420, 431 (2000) ("Statutory interpretation begins with the language of the statute.").

[66] See *Ardestani v. INS*, 502 U.S. 129, 135 (1991) ("'strong presumption' that the plain language of the statute expresses congressional intent"); Unexcelled Chem. Corp. v. United States, 345 U.S. 59, 64 (1953) ("It is not for us then to try to avoid the conclusion that Congress did not mean what it said."); *Bate Refrigerating Co. v. Sulzberger*, 157 U.S. 1, 33 (1895) ("It is not only the safer course to adhere to the words of a statute, construed in their ordinary import, instead of entering into any inquiry as to the supposed intention of Congress, but it is the imperative duty of the court to do so.").

[67] *McGee v. Peake*, 511 F.3d 1352, 1356 (Fed. Cir. 2008).

[68] *Alexander v. Sandoval*, 532 U.S. 275, 288, 121 S.Ct. 1511, 149 L.Ed.2d 517 (2001); *Norfolk Dredging Co. v. United States*, 375 F.3d 1106, 1110 (Fed.Cir.2004).

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> determination the court shall issue to the Director its mandate and opinion, which shall be entered of record in the Patent and Trademark Office and shall govern the further proceedings in the case.[69]

The trademark statute is closely parallel. The provision in question is codified at 15 U.S.C. § 1071(a)(4). Section 1701 is generally titled "APPEAL TO COURTS" and subpart (a)(4) is the only portion that directly relates to the court's decision on appeal. The subpart states in full:

> (4) The United States Court of Appeals for the Federal Circuit shall review the decision from which the appeal is taken on the record before the United States Patent and Trademark Office. Upon its determination the court shall issue its mandate and opinion to the Director, which shall be entered of record in the United States Patent and Trademark Office and shall govern the further proceedings in the case. However, no final judgment shall be entered in favor of an applicant under section 1051(b) of this title before the mark is registered, if such applicant cannot prevail without establishing constructive use pursuant to section 1057(c) of this title.[70]

The textual focus for this essay is the requirement in both statutes that "the court shall issue … its … opinion." I deconstruct the analysis here to primarily focus on two questions: (1) does a Rule 36 affirmance without opinion qualify as an "opinion" under the statute and (2) does the statute actually require an opinion.

A. An Opinion is an Explanation, not Simply the Judgment "AFFIRMED"

Black's Law Dictionary defines an opinion as you might expect, simply: "A court's written statement explaining its decision in a given case, usu. including the statement of facts, points of law, rationale, and dicta. Also termed judicial opinion."[71] An opinion is distinct from a judgment (or decision) in that the former requires explanation while the latter does not.[72]

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[69] 35 U.S.C. § 144.

[70] 15 U.S.C. § 1071(a)(4).

[71] OPINION, Black's Law Dictionary (10th ed. 2014).

[72] Black's asks readers to compare (cf) an opinion with a judgment, and broadly defines Judgment as "[a] court's final determination of the rights and obligations of the parties in a case." JUDGMENT, Black's Law Dictionary (10th ed. 2014).

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The Federal Rules of Appellate Procedure complement this distinction – noting the clerk must enter a judgment both in cases with an opinion as well as in cases where "judgment is rendered without an opinion, as the court instructs."[73]

In his useful article titled *What's An Opinion For?* Professor James B. White explains that that the opinion provides much more than simply the case outcome:

> For in every case the court is saying not only, "This is the right outcome for this case," but also, "This is the right way to think and talk about this case, and others like it." The opinion in this way gives authority to its own modes of thought and expression, to its own intellectual and literary forms.[74]

Although perhaps lofty in its writing, Professor White's point parallels that of the dictionary – that a judicial opinion must be more than simply the one word "AFFIRMED."

Some of the readers convinced of my argument that the statute requires an opinion may attempt to foxtrot around any dramatic impact of that conclusion by arguing that the court's Rule 36 Judgments *are actually offering an opinion*. To be fair, the judgments do offer a one word statement – "AFFIRMED." And, although miniscule and *de minimus* in its explanatory value, its explanatory value is probably greater than nothing. But "more than nothing" does not equate to an opinion, and offering a one-word judgment – what the court is doing here – is separate and distinct from offering an opinion. Furthermore, this argument appears foreclosed by multiple prior statements in the Federal Rules of Appellate Procedure, local rules, opinions, and prior statements by the court that all directly and unequivocally distinguish between a judgments accompanied by an opinion and those without opinion.[75]

In describing its own procedures, the Federal Circuit writes:

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[73] Fed. R. App. Proc. R. 36.

[74] James Boyd White, What's an Opinion for?, 62 U. Chi. L. Rev. 1363 (1995).

[75] Wallach & Darrow, *Federal Circuit Review of USPTO Inter Partes Review Decisions, By the Numbers: How the AIA Has Impacted the Caseload of the Federal Circuit*, 98 J. Pat. & Trademark Off. Soc'y 105, 113 (2016) (referring to R.36 opinions as "affirmances without opinion.").

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> The court's decisions on the merits of all cases submitted after oral argument or on the briefs, other than those disposed of under Rule 36, shall be explained in an accompanying precedential or nonprecedential opinion.[76]

In other words, the court states that opinions explain decisions, and its Rule 36 judgments are not opinions. The perhaps the clearest precedential statements come from the court's 2012 and 2013 decisions of *Rates Technology, Inc. v. Mediatrix Telecom, Inc.*[77] and *TecSec, Inc. v. International Business Machines Corp.*[78] In both cases, the court held that no information can be gleaned from a R.36 decision other than the lower court's judgment was affirmed. In particular, the court made clear that a R.36 judgment should not be seen as affirming the reasoning of the lower court.

In *Rates Technology*, the plaintiff's attorney James Hicks appealed the trial court's discovery sanctions. In the briefing, Hicks cited to a prior *Rates Technology* case where his conduct had been unsuccessfully challenged. In the prior case, the district court had sided with Hicks (refusing to award sanctions) and the decision was then affirmed by the Federal Circuit on appeal in a R.36 judgment without opinion.[79] Rebuking Hicks, the Federal Circuit wrote:

> Rule 36 allows us to "enter a judgment of affirmance without opinion" under certain circumstances. Since there is no opinion, a Rule 36 judgment simply confirms that the trial court entered the correct judgment. It does not endorse or reject any specific part of the trial court's reasoning. In addition, a judgment entered under Rule 36 has no precedential value and cannot establish "applicable Federal Circuit law."[80]

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[76] Internal Operating Procedures of the Court of Appeals for the Federal Circuit, 1 (November 2008) available at http://www.cafc.uscourts.gov/sites/default/files/IOPs122006.pdf.

[77] *Rates Technology, Inc. v. Mediatrix Telecom, Inc.*, 688 F.3d 742, 750 (Fed. Cir. 2012).

[78] *TecSec, Inc. v. International Business Machines Corp.*, 731 F.3d 1336, 1341-44 (Fed. Cir. 2013).

[79] *Rates Technology Inc. v. Tele–Flex Systems, Inc.*, No. 00–1184, 2000 WL 1807411 (Fed.Cir. Dec. 8, 2000) (R.36 Judgment).

[80] *Rates Technology, Inc. v. Mediatrix Telecom, Inc.*, 688 F.3d 742, 750 (Fed. Cir. 2012). See also *U.S. Surgical Corp. v. Ethicon, Inc.*, 103 F.3d 1554, 1556 (Fed.Cir.1997) and

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The next year *TecSec*, the court faced a situation where it had previously affirmed a district court judgment of non-infringement via a R.36 judgment without opinion.[81] Later TecSec appealed the same claim construction that had been previously appealed, but now involving a different party accused infringer. In the second appeal, the Federal Circuit found no preclusion – either from doctrines of issue preclusion, the mandate rule, or law of the case because the lower court decision had been granted on two independent alternate bases and therefore "it is impossible to glean which issues this court decided when we issued the Rule 36 judgment."[82] In other words, the *TecSec* court found that Rule 36 judgment does not bar relitigating the identical issues appealed unless the issues were necessary for the affirmance.[83] Since a Rule 36 affirmance could be based upon a purely procedural matter raised *sua sponte* and *sub silento* by the appellate court, it is not clear the unstated reasons for such a judgment could ever truly be isolated to the this degree. The Supreme Court has similarly explained that its summary dispositions 'affirm[] only the judgment of the court below, and no more may be read into [its] action than was essential to sustain that judgment.'[84] The analysis of these cases may as a detour, but I suggest that it offers substantial contour and backing to the simple claim that a Rule 36 Judgment is not an opinion.

A substantial amount of academic literature focuses on the distinction between published and unpublished opinions, including some question of whether unpublished opinions should even count as opinions.[85] The literature does not include a discussion of no-opinion judgments, but those judgments go well beyond the prior perceived line of non-publication.

Looking at its structure, the statute also calls-for issuance of a mandate that appears to be separate and distinct from the opinions. The mandate is the

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Chicago & N. W. Ry. v. Board of Supervisors, 182 Iowa 60, 165 N. W. 390 (1917) (no inference of approval for purpose of stare decisis from affirmance without opinion).

[81] *TecSec, Inc. v. Int'l Bus. Machs. Corp*., 466 Fed.Appx. 882 (Fed.Cir.2012) (R.36 Judgment).

[82] *TecSec, Inc. v. International Business Machines Corp.*, 731 F.3d 1336, 1341-44 (Fed. Cir. 2013).

[83] *Id*.

[84] *Ill. State Bd. of Elections v. Socialist Workers Party*, 440 U.S. 173, 182-83 (1979).

[85] Gilbert S. Merritt, *The Decision Making Process in Federal Courts of Appeals*, 51 Ohio St. L.J. 1385 (1990) (raising "the definitional problem of what is an opinion.");

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actual order from the appellate court to the lower body.[86] A mandate in the Federal Courts is a term of art defined largely by the Federal Rules of Appellate Procedure.[87] The rules spell out that a "formal" mandate may be issued but otherwise include "a certified copy of the judgment, a copy of the court's opinion, if any, and any direction about costs."[88] Note here that the rules again make a distinction between the judgment and the opinion and recognize that an appellate court may issue a judgment without opinion.[89] That distinction matches with FRAP Rule 36 that recognizes that judgments may be "rendered without an opinion, as the court instructs."[90]

B. The Statute Requires a Written Opinion.

I suggest that the best interpretation of the statutory phrase that "the court shall issue … its … opinion" requires issuance of an opinion.

However, a *conceivable* interpretation of the statute would require issuance of the opinion only if such an opinion exists – rendering the requirement merely an illusory request. If the Federal Circuit's opinion does not exist, then "its opinion" is simply a nullity. This end run interpretation somewhat parallels the Federal Circuit's interpretation of the "best mode" requirement of 35 U.S.C. § 112(a). Section 112(a) states that the inventor "shall set forth the best mode contemplated by the inventor." In interpreting the statute, the court has repeatedly held that the best mode need only be submitted when the inventor actually "had a best mode of practicing the claimed invention."[91] As interpreted, section 112(a) does not require that the inventor actually take any steps to identify a best mode and the provision simply does not impact inventors who never identify the best mode of their invention.

Although linguistically cute, the best mode analogy fails for several reasons, beginning with the comparative language of the statutes. Section 112(a) includes the express caveat of best mode "contemplated by the inventor,"

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[86] MANDATE, Black's Law Dictionary (10th ed. 2014) (1. An order from an appellate court directing a lower court to take a specified action.).

[87] Fed. R. App. Proc. 41.

[88] Id.

[89] [quote FRAP 41 in force in 1984 when Congress enacted the law.]

[90] Fed. R. App. Proc. R. 36.

[91] Chemcast Corp. v. Arco Indus. Corp., 913 F.2d 923, 927–28, 16 USPQ2d 1033, 1036 (Fed.Cir.1990).

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and it is that caveat that forms the linguistic hook for limiting the doctrine. The distinction is revealed by comparing the best mode statutory language with another requirement of Section 112(a) – that "the specification shall contain a written description of the invention."[92] The written description provision lacks the "contemplated by the inventor" caveat and consequently is interpreted as a requirement that must be met – not one excused by a plea that the inventor did not have a written description on hand. Section 112(b) of the Patent Act includes a similar requirement that the patent application include claims that cover "the subject matter which the inventor … regards as the invention."[93] As with the written description requirement, this requirement will not be excused by the inventor's lack of understanding of what he or she "regards as the invention." For a patentee, providing the written description is part of the *quid pro quo* exchange for receiving patent rights. In the same way, forming a reasoned decision is the role of every appellate court, and the statute simply requires that those reasons be written and released.

Reaching a judgment in each merits case is both an inherent duty of the appellate court and a statutory requirement, and that judgment requires the court to at least form a reasoned opinion that justifies the outcome. In other words, the court must make its judgment based upon the law at hand applied to the facts presented.[94] Even when issuing a judgment without releasing an opinion, the court will have formed reasons for its judgment that are at least self-satisfyingly sufficient. Anything less would be a reversible arbitrary judgment and likely a violation of the due process rights of the parties.[95]

The statutory requirement of issuing "its … opinion" is not an illusory request that can be avoided by simply not writing an opinion. Rather, the statute requires a transformation of the court's internal decision justifications into a document that becomes part of the record of the case as it returns to the PTO.

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[92] 35 U.S.C. § 112(a).

[93] 35 U.S.C. § 112(b).

[94] Amicus Brief, Cpc International, Inc., v. Archer Daniels Midland Company Appeal Nos. 94-1045, -1060, 4 Fed. Circuit B.J. 269, 273 (1994) ("A panel that affirms a district court decision under Rule 36 certainly has some reasons for doing so. Those reasons should ordinarily be available to the parties and to the public to demonstrate that issues have been considered and that there is a sound basis for the court's decision.").

[95] A party has no constitutional right to appeal from a lower court opinion *See Furman v. United States*, 720 F.2d 263, 264 (2d Cir. 1983). However, such a right likely does exist for an agency action denying or canceling patent rights.

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Although the actual inner-workings of the appellate courts are often shrouded, it appears that the appellate panels do create and exchange informal opinions – either oral or written - of the cases that eventually lead to the R.36 judgments.[96] The Court's Internal Operating Procedures require that the panel "hold at least one conference" to discuss and decide the outcome.[97] And, a panel's "election to utilize a Rule 36 judgment shall be unanimous among the judges of a panel."[98] To wit, in a recent discussion of Rule 36 opinions, Federal Circuit Judge Reyna reportedly indicated that "when a Rule 36 affirmance is delivered the court has done 90% of the work" needed for a written opinion.[99] The court wrote as much in its 1997 *U.S. Surgical* decision:

> Appeals whose judgments are entered under Rule 36 receive the full consideration of the court, and are no less carefully decided than the cases in which we issue full opinions.[100]

There may be occasions where an appellate panel can reach judgment without agreement upon the reasons for judgment. The Supreme Court has recognized in the non-patent context that "sometimes the members of the court issuing an unexplained order will not themselves have agreed upon its rationale, so that the basis of the decision is not merely undiscoverable but nonexistent." [101] Of course, this unique situation will not explain the hundreds of no-opinion judgments issued of late nor does it face the particular statutory requirement at issue here.

Finally, it makes sense to note that the full text of the statutes requires the court to issue both "its mandate and opinion." It would be absurd to interpret

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[96] The IOP

[97] Internal Operating Procedures of the Court of Appeals for the Federal Circuit, 1 (November 2008) available at http://www.cafc.uscourts.gov/sites/default/files/IOPs122006.pdf.

[98] Id. At IOP at 9.5.

[99] Peter Harter and Gene Quinn, Rule 36: Unprecedented Abuse at the Federal Circuit, IPWatchdog (January 12, 2017) at http://www.ipwatchdog.com/2017/01/12/rule-36-abuse-federal-circuit/id=76971/.

[100] U.S. Surgical Corp. v. Ethicon, Inc., 103 F.3d 1554, 1556 (Fed. Cir. 1997).

[101] *Ylst v. Nunnemaker*, 501 U.S. 797, 803 (1991).

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this provision as requiring neither a mandate nor an opinion because without either, the case is never decided.[102]

C. The Purposes of the Provision Support a conclusion that the Provision Requires a Written Opinion

In addition to requiring the court to issue an opinion, the statutes-at-issue here also require that the opinion "shall be entered of record in the Patent and Trademark Office and shall govern the further proceedings in the case."[103] This additional requirement reflects the longstanding recognition of the public nature of patent rights. Even more than other property rights, information regarding a patent's scope and ownership have long been available to the public. Patent rights are effectively use- and alienation-limits on items otherwise under the absolute control of members of the public. Although a company may own its own copper and steel, patent rights held by others will limit what machines can be built from those raw materials. In his 2007 public notice article, Professor Michael Risch explains:

> One of the primary functions of a patent is to provide public notice about the claimed invention. This goal has been a primary rationale underlying patent jurisprudence for at least 150 years. . . . The public should not be deprived of rights supposed to belong to it, without being clearly told what it is that limits these rights."[104]

In *Lear v. Adkins*, the Supreme Court explained "the strong federal policy favoring the full and free use of ideas in the public domain."[105] The scope of those rights is found in the patent documents, including patent application file histories.[106] Of course, patent documents are now more complex than

[102] John F. Manning, The Absurdity Doctrine, 116 Harv. L. Rev. 2387, 2388 (2003) (statutes interpreted to avoid absurd results).

[103] 35 U.S.C. § 144.

[104] Michael Risch, The Failure of Public Notice in Patent Prosecution, 21 Harv. J.L. & Tech. 179 (2007) (quoting *Merrill v. Yeomans*, 94 U.S. 568, 573 (1877).

[105] Lear, Inc. v. Adkins, 395 U.S. 653, 674, 89 S. Ct. 1902, 1913, 23 L. Ed. 2d 610 (1969).

[106] See, e.g., *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 732 (2002) (explaining, *inter alia*, the prosecution history documents as important public notice elements); *Phillips v. AWH Corp.*, 415 F.3d 1303, 1318–19 (Fed. Cir. 2005) (en banc) (Consideration of "the indisputable public records consisting of the claims, the specification and the prosecution history" best serves "the public notice function of patents."); Timothy R. Holbrook, *Patents, Presumptions, and Public Notice*, 86 Ind. L.J.

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ever. A single invention is ordinarily reflected in a set of differentiated claims, regularly broken divided into multiple patent applications filed in the same or different global patent offices, forming a patent family. Further, multiple families of patents may be owned by the same company and, although not formally related, may substantially overlap in coverage.[107] And, although the Federal Circuit sets precedential authority over all federal district courts (in patent matters), the USPTO does not have that authority. The collective result of this is that the Federal Circuit's judicial reasoning – even when affirming a PTO determination cancelling one or more patent claims – will likely be highly relevant to later cases involving the same or closely related inventions either in the US or abroad. The statute recognizes this by requiring the opinion be issued and placed in the publicly available patent file.

The record appears unquestionable now that "Congress gave the Federal Circuit a clear mandate to bring uniformity" and expertise to patent law.[108] The problem, of course, is that the substantial number of no-opinion judgments leaves the community and decision-makers without substantial guidance. A recent example involves the law of patent eligibility that has been upended in recent years by a series of Supreme Court decisions.[109]

779, 789 (2011) (prosecution history is "in the public domain"); Karen Millane Whitney, *Sources of Patent Prosecution History Must Not Violate Public Notice Requirement*, 32 Seton Hall L. Rev. 266 (2001) ("Public notice is of paramount importance for providing certainty and predictability as to the scope of patent protection."); Jacob S. Sherkow, *Administrating Patent Litigation*, 90 Wash. L. Rev. 205 (2015) (discussing the "public nature of most patent disputes").

[107] See for example, Jonathan H. Ashtor, *Opening Pandora's Box: Analyzing the Complexity of U.S. Patent Litigation*, 18 Yale J. L. & Tech. 217, 219 (2016)(complexity of patent litigation, including impact of USPTO AIA Trials).

[108] Quoting Paul R. Gugliuzza, *The Federal Circuit As A Federal Court*, 54 Wm. & Mary L. Rev. 1791, 1798 (2013); See H.R. Rep. No. 97-312, at 20-23 (1981); S. Rep. No. 97-275, at 5-6 (1981); *Holmes Group, Inc. v. Vornado Air Circulation Sys., Inc*., 535 U.S. 826, 838 (2002) (Stevens, J., concurring in part and concurring in the judgment) (describing the Federal Circuit as a "specialized court that was created, in part, to promote uniformity"); *Immunocept, LLC v. Fulbright & Jaworski, LLP*, 504 F.3d 1281, 1285-86 (Fed. Cir. 2007) (emphasizing "Congress' intent to remove non-uniformity in the patent law"); *Cybor Corp. v. FAS Techs., Inc*., 138 F.3d 1448, 1455 (Fed. Cir. 1998) (en banc) (citing the court's "role in providing national uniformity"); Christopher A. Cotropia, *''Arising Under" Jurisdiction and Uniformity in Patent Law, 9 Mich. Telecomm*. Tech. L. Rev. 253 (2003) ("The very uniformity Congress attempted to introduce through its creation of the Federal Circuit may become undone by the Supreme Court's interpretation of § 1295(a)(1) and § 1338(a).")

[109] See *Alice Corp. Pty. v. CLS Bank Int'l*, 134 S. Ct. 2347 (2014); *Mayo Collaborative Servs. v. Prometheus Labs., Inc*., 132 S. Ct. 1289, 1293 (2012); Rochelle Cooper Dreyfuss, *Giving the Federal Circuit a Run for Its Money: Challenging Patents in the*

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However, jurisprudence in this area is entirely following an example-based approach – meaning that each incremental decision offers important insight into the scope of patent rights available. The benefit of expertise and uniformity here is not simply to provide insight to other judicial bodies. Rather, the vast majority of patents are never litigated, but are used as part of a rights-transfer, either in a license, sold outright, or used as collateral. Another important example involves the America Invents Act of 2011 that has been seen as the most substantial modification of U.S. patent law since 1952. Although the new law raises a large number of both substantive and procedural issues, most of the appeals to the Federal Circuit have been decided without opinion.[110] The Court's failure to provide guidance in these areas of the law creates direct uncertainty in these areas.[111]

PTAB, 91 Notre Dame L. Rev. 235 (2015); Taylor, David O., *Confusing Patent Eligibility* (March 1, 2016). Tennessee Law Review, Forthcoming; SMU Dedman School of Law Legal Studies Research Paper No. 265. Available at SSRN: https://ssrn.com/abstract=2754323 (no administrable framework);

[110] Rochelle Cooper Dreyfuss, *Giving the Federal Circuit A Run for Its Money: Challenging Patents in the PTAB*, 91 Notre Dame L. Rev. 235, 241 (2015)("Most of the cases have been decided without written opinion"). See Infra.

[111] See, *Federal Circuit Amicus Brief in Cpc International, Inc., v. Archer Daniels Midland Company*, Appeal Nos. 94-1045, -1060, 4 Fed. Circuit B.J. 269 (1994) ("A Rule 36 affirmance of a decision involving a controversial legal issue provides little guidance to patent owners, or to the business community, and leaves the parties with little basis to challenge the correctness of any decision either factually or legally."); Peter Harter and Gene Quinn, *Rule 36: Unprecedented Abuse at the Federal Circuit*, IPWatchdog (January 12, 2017) at http://www.ipwatchdog.com/2017/01/12/rule-36-abuse-federal-circuit/id=76971/. See also Erin F. Delaney, *Analyzing Avoidance: Judicial Strategy in Comparative Perspective*, 66 Duke L.J. 1, 2 (2016) (judicial avoidance).
Some commentators have drawn a link between administrative agency action and that of the Federal Circuit jurisprudence – especially in its review of PTO action. See Paul R. Gugliuzza, *The Federal Circuit As A Federal Court*, 54 Wm. & Mary L. Rev. 1791, 1823 (2013) ("The court [at times] acts not as an appellate court, reviewing the decision of an inferior tribunal, but as an agency administrator, dictating the issues the PTO must consider."); Ryan Vacca, *Acting like an Administrative Agency: The Federal Circuit En Banc*, 76 Mo. L. Rev. 733, 744-49 (2011) (analogizing the Federal Circuit's en banc process to administrative rule making).; Sapna Kumar, *The Accidental Agency?*, 65 Fla. L. Rev. 229, 269-74 (2013). This analogy only works, however, to the extent that the court issues instructive opinions. "Indeed, the U.S. Supreme Court has repeatedly held that the duty to give reasons is a function of due process in the administrative context." Mathilde Cohen, *When Judges Have Reasons Not to Give Reasons: A Comparative Law Approach*, 72 Wash. & Lee L. Rev. 483, 529 (2015). Finally, a number of researchers have found that judges fail to follow the requisite guidelines for when to publish opinions. Stephen J. Choi, Mitu Gulati & Eric A. Posner, *What Do Federal District Judges Want? An Analysis of Publications, Citations, and Reversals*, 27 J.L. & ECON. ORG. 1, 7 (2011) (pointing out that despite the existence of guidelines directing judges when to publish opinions, research shows that judges fail to follow them); see also Donald R. Songer, Danna Smith & Reginald S. Sheehan, *Nonpublication in the United*

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D. Congress has power to require the writing of an Opinion.

A hallmark of the American constitutional structure is the separation of powers between the three primary branches of government. This system of checks and balances is not, however, structured so that each branch operates independently - without being controlled by the other. Rather, the structure is that each branch has substantial control over the other.

Although major separation of powers issues continues to be debated, those generally occur at the level of the highest court. It appears certain that at least that Congress holds the original power granted by the Constitution to set the federal rules of civil and appellate procedure for "Tribunals inferior to the Supreme Court."[112]

> It is now generally agreed that the power to make rules for lower federal courts has been delegated to the Supreme Court by Congress, and that Congress may withdraw or modify that power.[113]

Professor Robert J. Pushaw explains that an understanding of this framework goes at least to Chief Justice Marshall's decision in Wayman v. Southard.[114]

> Chief Justice Marshall expressed "no doubt whatever" about Congress's Article I power to make procedural rules that it deemed "necessary and proper" to enable federal courts to fulfill their Article III functions, such as rendering judgments. Indeed, Congress had a "duty" to "expressly and directly provide" either a complete procedural code or the "great outlines" of one, as it had done in the Process Act by

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States District Courts: Official Criteri Versus Inferences from Appellate Review, 50 J. POL. 206, 207 (1988).

[112] U.S. CONST. art. 1 § 8, cls. 9. Though much of the congressional authority was delegated to the courts through the Rules Enabling Act of 1934. See Stephen B. Burbank, The Rules Enabling Act of 1934, 130 U. PA. L. REV. 1015, 1097-98 (1982); Hanna v. Plumer, 380 U.S. 460, 472 (1964) (recognizing congressional authority).

[113] W. Brown, *Federal Rulemaking: Problems and Possibilities*, FJC-R-81-5 (1981); Adam Behar, *The Misuse of Inherent Powers When Imposing Sanctions for Discovery Abuse: The Exclusivity of Rule 37*, 9 Cardozo L. Rev. 1779, 1799–800 (1988) ("the Federal Rules are an exercise of Congress' legislative power.")

[114] 23 U.S. (10 Wheat.) 1 (1825).

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> instructing federal judges to follow state practice circa 1789.[115]

The bottom line here is that Congress certainly has power to enact rules of civil procedure including its requirement here that an opinion explaining judgment be written for a particular class of appellate cases.

IV. NEXT STEPS

Immediate Action: The first and most obvious next step is that the Court of Appeals for the Federal Circuit should immediately stop issuing R.36 judgments without opinion in appeals stemming from Patent & Trademark Office actions. Although substantial harm has already occurred through what appears to be unrecognized error, the gap can be immediately filled by an internal unilateral action of the court. Barring action by the court as a whole to modify its internal operating procedure, each appellate judge is empowered to at least block the use of R.36 judgments in their cases since the Court's rules require unanimous agreement of the panel judges.[116]

Although a full analysis of standing is outside of the scope of this article, it appears clear that a party who has lost on R.36 certainly would have a right to request a panel rehearing, rehearing *en banc*, or to petition the Supreme Court for *writ of certiorari* so long as the timeline has not expired. In the same way that the appellate court rejects lower court decisions that fail to comply with the explanatory requirements of Rule 52(a), the Supreme Court (or *en banc* Federal Circuit) could rebuke a panel that failed comply with the opinion requirement of the Patent and Trademark Acts. The court, however, may well force a petitioner to also show that the non-opinion error is not simply harmless error.

Although all of the members of the court have been on R.36 panels, the court has never considered the extent that the Patent and Trademark statutes contravene those judgments without opinion. Thus, an ordinary panel of three judges will be fully authorized to rule on the question without

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[115] Robert J. Pushaw, Jr., *The Inherent Powers of Federal Courts and the Structural Constitution*, 86 Iowa L. Rev. 735, 752 (2001). Henry P. Chandler, *Some Major Advances in the Federal Judicial System*, 31 F.R.D. 307, 505 (1962-63) ("Among some judges and legal scholars the opinion was held that determining the rules of courts was solely a judicial function and that the legislative branch had no right to touch it .... But the entire course of legislation concerning the federal courts from the beginning of the federal government was against the theory.").

[116] Internal Operating Procedures of the Court of Appeals for the Federal Circuit, 9.5 (November 2008) available at http://www.cafc.uscourts.gov/sites/default/files/IOPs122006.pdf.

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upsetting prior precedent. Of course, there are several hundred Rule 36 decisions from recent years that are now likely too ancient to revive.

Although I do not prefer this approach, we might recognize here that the opinion requirement does not call for a substantial or lengthy opinion. It would likely be sufficient for the court to include a less-than comprehensive opinions such as: "Affirmed based upon the doctrine of res ipse loquitur"; "affirmed upon authority of [prior precedential case]"; or "affirmed based upon the opinion below."[117]

Should Congress Step-In to Change the Law: An important question in the background is whether Congress should step-in to change the law – relieving the court of its burden of writing opinions in all PTO appeals. In my view, the answer to that question is clearly no. There is no general problem with issuing opinions on the merits. The primary concern will be docketing and potential backlog, and I am confident that the court will take measures to ensure efficient adjudication while conforming to the law.[118] Rule 36 dispositions also offer the potential of providing quick justice – "an immediate answer to the parties on appeal" in a way that may be advantageous.[119] However, court has historically been willing to hear emergency motions for expedited hearing when such a case arise. In this situation, Congress should not step-in to rescue the court from writing opinions unless the need is actually shown. A third justification for the no-opinion approach is that it allows for slower-development of the precedential edifice. Many decision makers gather significant input from a variety of sources prior to finally deciding upon a course of action. A difficulty of the appellate court precedential system is that a decision must be made in the first case addressing an issue – perhaps before considering important ramifications. If that decision is precedential then it builds an edifice difficult to later tear down. Although this tale has some interesting features – perhaps for a separate article – it does not fit the storyline for no-

[117] Philip Marcus, *Affirmance Without Opinion*, 6 Fordham L. Rev. 212, 213 (1937).

[118] The Federal Circuit's docket is greatly simplified as compared to other appellate courts because of the lack of a criminal law docket. But see *Taylor v. McKeithen*, 407 U.S. 191, 194 n.4 (1972) (expressing concern over lower court dockets).

[119] Jennifer A. Tegfeldt, A Few Practical Considerations in Appeals Before the Federal Circuit, 3 Fed. Circuit B.J. 237, 248 (1993) ("Unlike published and non-precedential opinions, a Rule 36 case is not circulated to the full court before issuance. This permits parties to receive a decision, in some cases, in very short order after the oral hearing. For example, in the case of Upjohn Co. v. Medtron Laboratories, Inc., No. 93-1137 (Fed.Cir. Aug. 9, 1993), the court heard argument on August 5 and issued its order two working days later.").

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opinion judgments because those decisions are supposed to be limited to only opinions that "would have no precedential value."

In many ways, the Federal Circuit is facing a crisis of public confidence based largely upon external changes to the legal landscape but compounded by the court's masked jurisprudence – hidden in the large number of summary affirmances. "Justice must not only be done, it must appear to be done." [120] Opinions provide a major source of legitimacy for the court. [121] And hidden decisions create the risk of either sloppy or intentionally misguided actions as well as later inconsistent rulings on the same set of facts. [122] Furthermore, in the patent context, the public demands and is entitled to a decision that both settles the law at hand and that also declares the facts in a way that becomes part of the case file and that will guide later courts in interpreting the patent family. I have so much respect the members of this court. I hope they will use this opportunity to take the next step in the right direction.

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[120] W.L. Reynolds & W. M. Richman, "An Evaluation of Limited Publication in the United States Court of Appeals: The Price of Reform", 48 U.Chi.L.Rev. 573, 603-04 (1981).

[121] Chad M. Oldfather, Writing, Cognition, and the Nature of the Judicial Function, 96 Geo. L.J. 1283 (2008).

[122] Dodell, N., On Wanting to Know Why, 2 Fed. Cir. Bar J. 465, 466 (1992).

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