

Zurko, Gartside and Lee: How Might They Affect Patent Prosecution?*

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I. Introduction: The PTO and the Courts

Interactions between the PTO and the courts are more complex than for most agencies.¹ PTO decisions may be challenged not only directly but also collaterally. In the latter context, the Supreme Court has sometimes been critical of the lax standards applied when issuing patents.²

While being upheld in collateral review is the ultimate issue of concern to patentees, patents must first be obtained. Thus, this paper focuses on direct challenges to PTO action — and more specifically on review under §§ 141-44 as addressed in *Zurko*,³ *Gartside*⁴ and *Lee*.⁵ Along with that provided under §§ 32, 145 and 146, such review is called “statutory.”⁶ Statutory review is supplemented by “nonstatutory” review under Administrative Procedure Act (APA).⁷

Since the Supreme Court reversed the Federal Circuit’s *Zurko* decision, it has been

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¹ See, e.g., Thomas G. Field, Jr., *Direct Judicial Review of PTO Decisions: Jurisdictional Proposals*, 42 *Idea* 537 (2002).

² See, e.g., *Graham v. John Deere Co.*, 383 U.S. 1, 18 (1966) (referring to “a notorious difference between the standards applied by the Patent Office and by the courts”). Trademark cases such as *On-Line Careline, Inc. v. Am. Online, Inc.*, 229 F.3d 1080, 1085 (Fed.Cir. 2000) are beyond the scope of this paper.

³ *In re Zurko*, 42 F.3d 1447 (Fed. Cir. 1997), *rev’d* *Dickinson v. Zurko*, 527 U.S. 150 (1999).

⁴ *In re Gartside*, 203 F.3d 1305 (Fed. Cir. 2000).

⁵ *In re Lee*, 277 F.3d 1338 (Fed. Cir. 2002).

⁶ See, e.g., Administrative Conference of the United States, *Federal Administrative Procedure Sourcebook* (ACUS Sourcebook), 208 (2d ed. 1992) (discussing conventional use of “statutory” and “nonstatutory”).

⁷ *Id.* APA standards of review are included as an appendix to this paper. See also, e.g., *Rydeen v. Quigg*, 748 F.Supp. 900, 905 (1990), *aff’d* 937 F.2d 623 (Fed. Cir. 1991) (*Table*), *cert. denied* 502 U.S. 1075 (1992).

clear that APA standards of review apply to both statutory and nonstatutory review.⁸ Discussion of those standards has thus far focused quite narrowly, but people involved with patent prosecution should be mindful of their potentially broad application.⁹

II. The APA and the PTO

The APA was passed in 1946.¹⁰ According to a coterminous report of the Attorney General, it was intended “to achieve relative uniformity in the administrative machinery of the Federal Government.”¹¹

Soon thereafter, Patent Commissioner Ooms reviewed the APA’s applicability to his Office.¹² He complained of being largely ignored in studies leading to its drafting, but, as he recognized, disbarment proceedings¹³ and judicial review aside,¹⁴ the APA did and does have little bearing.¹⁵

Ooms mentioned statutory review but focused on review previously provided by mandamus. He foresaw that, that under the APA, “the courts will welcome the appellant... and not merely treat him as a suppliant.”¹⁶ His prediction was later confirmed when a refusal to institute a trademark opposition was rejected: “[P]laintiff’s construction of the statute and Rules... was not unreasonable. Nothing in the published Rules or the statute contradicted it explicitly or by clear implication.”¹⁷ Had mandamus standards applied, the courts might have, instead, found a “plausible basis” for the Office’s position and affirmed.¹⁸

⁸ See *Dickinson*, 527 U.S. at 165 (favoring “court-agency” over “court-court” standards of review).

⁹ See Field, *supra* note 1 at 545-50 (discussing various instances of nonstatutory PTO review).

¹⁰ Pub. L. No. 404, 60 Stat 237 (June 11, 1946). See also, ACUS Sourcebook, *supra* note 6 at 1 (the original act was repealed in 1966 “as part of the general revision of title 5...”). Courts still refer to the original section numbers, but all citations here are to the code, e.g., 5 U.S.C. § 551, cited hereafter as APA § 551.

¹¹ Attorney General’s Manual on the Administrative Procedure Act, 5 (1947), *reprinted* ACUS Sourcebook, *supra* note 6, at 67, as well as online at <www.law.fsu.edu/library/admin/1947intro.html> (visited June 18, 2003). See also APA § 559 (The APA applies unless otherwise expressly provided.).

¹² Casper W. Ooms, *The U.S. Patent Office and the Administrative Procedure Act*, 38 Trademark Rep. 149 (1948). Although the Office also had jurisdiction over trademarks, not until 1975 did it become the Patent and Trademark Office (PTO); Pub. L. No. 93-596, 88 Stat. 1949 (Jan. 2, 1975).

¹³ *Id.* at 157.

¹⁴ *Id.* at 159.

¹⁵ Compare *id.* at 153 (rule making) and at 154 (adjudication). Because relevant sections of that and the Patent Act are essentially unchanged, his summary is still remarkably current.

¹⁶ *Id.* at 159.

¹⁷ See *Marzall v. Libby, Mcneill & Libby*, 188 F.2d 1013, 1015 (D.C. Cir. 1951).

Commissioner Ooms may not have considered that explicit review provisions in the patent and trademark statutes might also be affected by the APA¹⁹ because the Act provides that “[t]he form of proceeding... is the special statutory review proceeding relevant to the subject matter in a court specified by statute....”²⁰ In any event, as *Dickinson* eventually held, if that exclusion made the APA inapplicable, the uniformity otherwise anticipated by its authors could not be achieved.²¹

III. Sources of the Federal Circuit’s Standards of Review

Prior to 1982, most appellate courts participated in reviewing PTO decisions both directly and collaterally. Since then,²² the Federal Circuit has had exclusive jurisdiction over direct and appellate review of PTO patent decisions. Under §§ 141-46 and 282, it is explicitly exclusive.²³ Moreover, all courts that have addressed, thus far, the jurisdictional issue have acquiesced in the Federal Circuit’s appellate jurisdiction in patent cases brought under the APA²⁴ and 35 U.S.C. § 32.²⁵

The Court regards only Supreme Court, Court of Customs and Patent Appeals (CCPA) and Court of Claims opinions rendered prior to its creation as precedential.²⁶ Because the patent jurisdiction of the CCPA encompassed only appellate review of Board decisions under §§ 141-44, the Federal Circuit has often written on a blank slate.

Despite lacking precedent, presumably because § 32 cases are decided after formal hearings²⁷ that satisfy the first clause of APA § 706(2)(E), they are reviewed under the

¹⁸ See *Bouvé v. Twentieth Century-Fox Film Corp.*, 122 F.2d 51, 55 (D.C. Cir. 1941) (rejecting a position taken by the Copyright Office because it could not find such a basis for its position).

¹⁹ But see Ooms, *supra* note 12 at 159 (“A study of the decisions of the appellate tribunals within which these adjudications have been reviewed discloses a recognition of each of the principles expressed in [the judicial review provisions of the APA.]”). He might, therefore, have believed that the CCPA and other courts were already applying APA standards of review, but, if so, no one seems to have appreciated that or its significance.

²⁰ APA § 703.

²¹ 527 U.S. 150, 154-55.

²² Pub. L. No. 97-164, 96 Stat 25 (Apr. 2, 1982).

²³ 28 U.S.C. § 1295(a)(4)(A) and (C).

²⁴ See, e.g., *Dubost v. U.S. PTO*, 777 F.2d 1561 (Fed. Cir. 1985) (reversing the District Court’s acceptance of a refusal to award a filing date when an application was accompanied by an unsigned check).

²⁵ See *Wyden v. Comm’r*, 807 F.2d 934 (1986) (en banc) (only Chief Judge Markey dissented).

²⁶ *South Corp. v. United States*, 690 F.2d 1368, 1369 (Fed. Cir. 1982) (en banc).

substantial-evidence standard. It is said to be nearly the same as that for reviewing facts found by a jury.²⁸

Also, despite the lack of precedent other than the Supreme Court's, the Federal Circuit's standards and approach for APA challenges seem thus far to be traditional. Presumably because they are based on informal records,²⁹ the Court has applied the general standard of APA § 706(2)(A). While some judges regard the so-called "arbitrary-capricious" standard as exceedingly deferential,³⁰ the Supreme Court has held to the contrary:

Even though there is no de novo review in this case and the Secretary's [decision] does not have ultimately to meet the substantial-evidence test, the generally applicable standards of § 706 require the reviewing court to engage in a substantial inquiry. Certainly, the Secretary's decision is entitled to a presumption of regularity. But that presumption is not to shield his action from a thorough, probing, in-depth review.³¹

Moreover, as explained by the D.C. Circuit, that standard "encompasses a range of levels of deference to the agency" that may vary according to the circumstances.³²

Section 32 cases aside,³³ all PTO adjudications, statutory and nonstatutory, are "informal." Therefore, because statutory review provision includes no standards to trump those in the APA, the arbitrary-capricious standard might have applied to the the remainder of PTO reiew since that Act was adopted in 1946.³⁴ That, however, did not happen.

Over time,³⁵ the CCPA developed a sui generis, clearly-erroneous standard more akin

²⁷ "Formal" usually means that the requirements of APA §§ 556-57 are satisfied. *See* ACUS Sourcebook, *supra* note 6 at 3.

²⁸ *See Dickinson*, 527 U.S. at 162.

²⁹ "Informal" does not mean "without formalities," but rather than the procedure does not conform to APA §§ 556-57. *See* ACUS Sourcebook, *supra* note 6 at 3.

³⁰ *See Gartside*, 203 F.3d at 1312 ("[T]he 'substantial evidence' standard... is considered to be a less deferential review standard than 'arbitrary, capricious'.").

³¹ *Citizens to Preserve Overton Park, Inc. v. Volpe*, 401 U.S. 402, 415 (1971).

³² *Am. Horse Protection Ass'n, Inc. v. Lyng*, 812 F.2d 1, 4 (D.C. Cir. 1987).

³³ *See, e.g., Klein v. Peterson*, 866 F.2d 412, 414 (Fed. Cir. 1989) (conducting substantial-evidence review).

³⁴ *See supra* note 1; *see also*, APA § 559 ("Effect on other laws; effect of subsequent statute"). Prior to the APA, only mandamus was available for nonstatutory review of the PTO; *see, e.g., Maurice W. Levy, Mandamus in Patent Office Proceedings*, 18 J.P.O. Soc'y 307, 439, 546 (1936) (in three parts).

³⁵ Exactly when the standard was adopted was debated; *see, e.g., Dickinson*, 527 U.S. at 161. *But see* The President's Commission on the Patent System, "To Promote the Progress of... Useful Arts" in an Age of

to the standard of Fed. R. Civ. P. 52(a)³⁶ than to the APA standards generally applied elsewhere.³⁷ The Federal Circuit then applied it in reviewing Board decisions regardless of whether challenges were lodged under §§ 141, 145 or 146.³⁸

IV. From Clearly Erroneous to Substantial Evidence and Beyond

A. Reviewing Facts

The appropriateness of the Federal Circuit's approach to reviewing facts in §§ 141-46 cases has been mostly disputed since 1993, when Fed. R. App. P. 28 was amended to require that standards of review be included in briefs.³⁹ At that point, despite winning the vast majority of its cases,⁴⁰ particularly when opinions are unpublished,⁴¹ the PTO nevertheless "campaigned aggressively"⁴² for application of either the APA's arbitrary-capricious or substantial-evidence standards.⁴³

Absent doubt about the existing standard, any change required an en banc rehearing. That was clearly unnecessary when the Board was affirmed; it was also often unnecessary when the Board was reversed, as in *Brana*.⁴⁴

If the question... is to be addressed meaningfully, it must arise in a case in which the decision will turn on that question, and, recognizing this, the parties fully brief the issue. This is not that case.⁴⁵

Exploding Technology, 29 (preliminary printing 1966) (recommending use of a "clearly erroneous" standard).

³⁶ See *Gechter v. Davidson*, 116 F.3d 1454, 1458 (Fed. Cir. 1997).

³⁷ Cf. *Cody v. Aktiebolaget Flymo*, 452 F.2d 1274, (D.C. Cir. 1971) (discussing its standard of review under § 146 without reference to either the APA or the clearly-erroneous standard).

³⁸ See *Fregeau v. Mossinghoff*, 776 F.2d 1034, 1038 (Fed. Cir. 1985). See also, e.g., Christopher M. Hennessey, *District Court Standards of Review in 35 U.S.C. Patentability Determinations*, 43 *Idea* 677 (2003).

³⁹ A note accompanying the amendment said that experience in five circuits "indicates that requiring a statement of the standard of review generally results in arguments that are properly shaped in light of the standard." See generally, Kevin Casey, Jade Camara & Nancy Wright, *Standards of Appellate Review in the Federal Circuit: Substance and Semantics*, 11 *Fed. Cir. B.J.* 279 (2001).

⁴⁰ See Fred E. McKelvey & Richard E. Schafer, *Appeals to the Federal Circuit from PTO*, 1120(2) *O.G.* 22 (1990) (47 of 477 cases reversed during a five-year period beginning in October 1985).

⁴¹ See Erica U. Bodwell, *Published and Unpublished Federal Circuit Patent Decisions: A Comparison*, 30 *Idea* 233, 241 (1990). Her tabulated data indicates that, between January 1987 and October 1989, the overall odds of a successful appeal were roughly 19% of what published opinions, alone, would suggest.

⁴² *Zurko*, 42 F.3d at 1449.

⁴³ See *Zurko*, 42 F.3d at 1450 n.2. Cf., e.g., *In re McCarthy*, 763 F.2d 411 (Fed. Cir. 1985) (rejecting a PTO argument for a "rational basis" standard).

⁴⁴ *In re Brana*, 51 F.3d 1560 (Fed. Cir. 1995).

The Court eventually agreed, following a reversal in *Zurko*, to consider the question en banc,⁴⁶ but it unanimously reaffirmed the propriety of the clearly-erroneous standard.

Reversing, the Supreme Court rejected what it called a “court-court” approach in favor of a “court-agency” approach.⁴⁷ It did not decide which of the two possible court-agency standards in APA § 706(2) should instead apply.⁴⁸ That court did, however, note failure of the Federal Circuit to explain “convincingly why direct review of the PTO’s patent denials demands a stricter fact-related review standard than is applicable to other agencies.”⁴⁹

The Federal Circuit has yet to meet the challenge. Instead, describing substantial-evidence as less deferential than arbitrary-capricious,⁵⁰ it looked to the text of subsection (2)(E) to justify its use in *Gartside*.⁵¹ Because cases reviewed under §§ 141-46 are not “subject to §§ 556 and 557 of this title,” the Court relied on the second clause, “otherwise reviewed on the record of an agency hearing provided by statute.” That condition was found to be at least facially satisfied in patent cases because, for example, § 6(b) provides that “Each appeal and interference shall be *heard* by at least three members of the Board.”⁵²

Thus, it has replaced the clearly-erroneous standard, akin to that used to review bench trials, with a standard said to be essentially the same as that applied in reviewing jury verdicts.⁵³ Because the Sixth and Seventh Amendments imply that jury verdicts are entitled to more deference than those of judges conducting bench trials, PTO fact finding should now receive more deference.

But to what end? For example, in *Brana*, Judge Plager speculated that the choice of standard must make a difference in some cases; “otherwise the lengthy debates about the

⁴⁵ 51 F.3d at 1569.

⁴⁶ *Zurko*, 42 F.3d at 1449-50 n.2.

⁴⁷ *Dickinson*, 527 U.S. at 162, 165.

⁴⁸ 527 U.S. at 158.

⁴⁹ 527 U.S. at 165.

⁵⁰ 203 F.3d 1305 at 1312 (“[T]he ‘substantial evidence’ standard... is considered to be a less deferential review standard than ‘arbitrary, capricious’.”).

⁵¹ 203 F.3d at 1311-15.

⁵² Emphasis added.

⁵³ *See, e.g., Dickinson*, 527 U.S. at 162.

meaning of these formulations and the circumstances in which they apply would be unnecessary.”⁵⁴

Reinforcing that point, the Supreme Court in *Dickinson* said of “court-court” versus “court-agency” review: “[T]he difference is a subtle one — so fine that (apart from the present case) we have failed to uncover a single instance in which a reviewing court conceded that use of one standard rather than the other would in fact have produced a different outcome.”⁵⁵ Moreover, it cited with apparent approval then-Judge Scalia’s observation that any differences between review under 706(2)(A) and (E) flow only from the differences between records generated by formal and informal proceedings.⁵⁶

B. Reviewing Reasoning

However the Court may justify use of the APA’s substantial-evidence standard, the record on appeal is not equivalent to one generated by a trial under APA § 556. Nor does the Court account for the often highly-technical nature of the record.⁵⁷ Also, focusing on the comparative scrutiny of evidence ignores a vital, if not the most vital, distinction between court-court and court-agency review.

In *Zurko*, the Federal Circuit acknowledged that APA review focuses on agency reasoning but indicated a preference for its own reasoning.⁵⁸ In that vein, it concluded:

By making it clear that we review factual findings for clear error, and thereby review board decisions on our own reasoning, we hope the board understands that we are more likely to appreciate and adopt reasoning similar to its reasoning when it is both well articulated and sufficiently founded on findings of fact.⁵⁹

Other than by resort to *stare decisis*,⁶⁰ its justifications were not compelling.

⁵⁴ 51 F.3d at 1569.

⁵⁵ 527 U.S. at 162-63.

⁵⁶ 527 U.S. at 158 (citing *Ass’n Data Processing Service Org., Inc. v. Bd. Gov. Fed. Reserve Sys.*, 745 F.2d 677, 683-84 (D.C. Cir. 1984)).

⁵⁷ See 527 U.S. at 161 (citing the CCPA’s references to technical complexity) and at 163 (citing the Federal Circuit’s “comparative expertise”).

⁵⁸ 42 F.3d at 1450.

⁵⁹ 42 F.3d at 1458.

⁶⁰ See, e.g., *Gechter*, 116 F.3d at 1458 (“[W]e review decisions, not opinions....”).

Citing the doctrine of equivalents, for example, the Court speculated that its approach would reduce doubts about prosecution history.⁶¹ Yet, it is difficult to see how the Court's substituting its own reasoning for the Board's would serve that end. What of patents that Court does not see except on collateral review in infringement litigation?⁶²

As the Federal Circuit noted,⁶³ its approach was clearly at odds with Supreme Court opinions directing courts to review agencies' opinions, not decisions.⁶⁴ Rejection of that proposition is perhaps the most important outcome of *Dickinson*.⁶⁵

[I]f the Circuit means to suggest that a change of standard could somehow immunize the PTO's fact-related "reasoning" from review, we disagree. A reviewing court reviews an agency's reasoning to determine whether it is "arbitrary" or "capricious," or, if bound up with a record-based factual conclusion, to determine whether it is supported by "substantial evidence."

Since then, the traditional agency approach is most clearly demonstrated by Judge Newman's opinion in *Lee*.⁶⁶ Conspicuously refusing to choose between the APA's arbitrary-capricious and substantial-evidence standards, she wrote:

For judicial review to be meaningfully achieved..., the agency tribunal must present a full and reasoned explanation of its decision. The agency tribunal must set forth its findings and the grounds thereof, as supported by the agency record, and explain its application of the law to the found facts.⁶⁷

The intensity of review aside, that approach is compelling.⁶⁸

C. Reviewing Law

⁶¹ 42 F.3d at 1458 (citing *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997)).

⁶² Few cases are appealed; at the Board, examiners have recently been affirmed only about 30% of the time; *see* the PTO's Final Process Production Reports for 2001 (1541 of 4983 appeals affirmed) and 2002 (1522 of 4315 appeals affirmed — there were also 770 "administrative remands." My colleague, Jon Cavicchi, has these statistics online at <www.ipmall.info/hosted_resources/bpai_stats.asp>.

⁶³ [added]42 F.3d at 1458(?).

⁶⁴ *See* *SEC v. Chenery Corp.*, 318 U.S. 80, 89-93 (1943) and *SEC v. Chenery*, 332 U.S. 194, 196-97 (1947) (making the point less ambiguously).

⁶⁵ 527 U.S. at 164 (citations omitted).

⁶⁶ 277 F.3d 1338.

⁶⁷ 277 F.3d at 1342.

⁶⁸ The PTO also seems to have risen to the challenge while simultaneously reducing its backlog. Statistics *supra* note 62 indicate that, in 2001, the Board received 2982 ex parte appeals and disposed of 5005; in 2002, it received 3854 and disposed of 5126.

Besides urging more deference to its fact finding, the Office has also urged the Federal Circuit⁶⁹ to accord its legal view so-called *Chevron* deference.⁷⁰ The response has been mixed.⁷¹ The Court has not always expressed itself in those terms, but it is most likely to defer on procedural issues.⁷²

The Court is apt to defer least on substantive issues. In *Merck*, it refused to accord more deference than would be warranted by the persuasiveness of the PTO's reasons for adopting a position,⁷³ saying "[T]he broadest of the PTO's rulemaking powers authorizes the Commissioner to promulgate regulations directed only to 'the conduct of proceedings in the [PTO]'; it does not grant the Commissioner the authority to issue substantive rules."⁷⁴ Indeed, it is difficult to quarrel with that position.⁷⁵

What this might mean for the PTO was set forth when the Supreme Court recently addressed the necessary Federal Circuit deference to a U.S. Customs Service tariff classifications despite the lack of necessity for *Chevron* deference:⁷⁶

The fair measure of deference to an agency administering its own statute has been understood to vary with circumstances, and courts have looked to the degree of the agency's care, its consistency, formality, and relative expertness, and to the persuasiveness of the agency's position. "The weight [accorded to an administrative] judgment in a particular case will depend upon the thoroughness evident in its consideration, the validity of its reasoning, its consistency with earlier and later pronouncements, and all those factors which give it power to persuade, if lacking power to control."⁷⁷

⁶⁹ See, e.g., *Merck & Co., Inc. v. Kessler*, 80 F.3d 1543 (1996).

⁷⁰ See *Chevron U.S.A. v. NRDC*, 467 U.S. 837 (1984).

⁷¹ See Thomas G. Field, Jr., *Chevron Deference to the USPTO at the Federal Circuit*, in *Conflicts in Federal Circuit Panel Decisions*, 11 F. Cir. B.J. 723, 773 (2002).

⁷² See, e.g., *Eli Lilly & Co. v. Regents, U. Washington*, 334 F.3d 1264, 1266 (Fed. Cir. 2003) ("An agency's interpretation of its own regulations is entitled to substantial deference, and that interpretation will be accepted unless it is plainly erroneous or inconsistent with the regulation.") (citations omitted).

This follows the lead of the CCPA; see, e.g., *In re Pantzer*, 341 F.2d 121, 126 (CCPA 1965).

⁷³ 80 F.3d at 1550 (citing, e.g., *Skidmore v. Swift & Co.*, 323 U.S. 134 (1944)).

⁷⁴ 80 F.3d at 1549-50 (citation omitted).

⁷⁵ See Thomas G. Field, Jr., *Review of PTO Intramural Appeal Procedures*, 33 *Idea* 117, 119 (1993) (referring to, e.g., lack of concern about circuit diversity and at least equal expertise).

⁷⁶ *U.S. v. Mead Corp.*, 533 U.S. 218, 221 (2001) (citing *Skidmore*, 323 U.S. 134).

⁷⁷ 533 U.S. at 228 (citations omitted).

That aside, why would the Federal Circuit disagree with the PTO's substantive views without strong reason? Thus, in *Oddzon*, it followed the PTO's interpretation of § 102(f) because it seemed reasonable, saying: "It is sometimes more important that a close question be settled one way or another than which way it is settled."⁷⁸

V. Conclusion: Taking the Long View

In 1966, the Supreme Court said that the Office had "the primary responsibility for sifting out unpatentable material."⁷⁹ It nevertheless cited "a notorious difference" between agency and court standards,⁸⁰ leading to its frequently invalidating patents.⁸¹ At the same time, the CCPA did not hesitate to reverse refusals to allow patents.⁸² This put the Office in the uncomfortable position of being faulted, on one hand, for issuing patents and, on the other, for not doing so.⁸³

Now, unlike the CCPA — or, for that matter, the PTO — the Federal Circuit is uniquely situated to see both sides of the coin. If it allows, or encourages, substantive standards to be set too low in prosecution, the consequences will be seen in infringement litigation.⁸⁴

The ability of the Federal Circuit to oversee both prosecution and litigation warrants, more than anything, a clean break with whatever the CCPA might have done. It also justifies, across the board, less deference than typical courts might owe to the expertise of typical agencies. Its unique position seems, thus far, to have received little more than passing mention, and that not necessarily well taken.⁸⁵ All who are concerned with the strength of the U.S. patent system should confront the implications of its dual oversight more directly.

⁷⁸ *Oddzon Products, Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1403 (1997).

⁷⁹ *Graham*, 383 U.S. at 18.

⁸⁰ *Id.*

⁸¹ Martin Shapiro, *The Supreme Court and Administrative Agencies* 165 (1968) (Over a period of about thirty years, the Court upheld only two patents and did not reverse a single finding of invalidity.).

⁸² *See* President's Commission, *supra* note 35, at 29 (concerning a recommendation that the CCPA *review* decisions rather than substitute its own judgment) (emphasis in original).

⁸³ *See, e.g., id.* at 25.

⁸⁴ *See* 28 U.S.C. § 1295(a)(1),(4).

⁸⁵ *See, e.g., Dickinson*, 533 U.S. at 163.

Appendix

5 U.S.C. § 706 (Scope of Review)

To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action. The reviewing court shall —

(1) compel agency action unlawfully withheld or unreasonably delayed; and
(2) hold unlawful and set aside agency action, findings, and conclusions found to be —

(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

(B) contrary to constitutional right, power, privilege, or immunity;

(C) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right;

(D) without observance of procedure required by law;

(E) unsupported by substantial evidence in a case subject to §§ 556 and 557 of this title or otherwise reviewed on the record of an agency hearing provided by statute; or

(F) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court.

In making the foregoing determinations, the court shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule of prejudicial error.