

Unauthorized Acts in Declaratory Judgment



JAMES JUO
Fulwider Patton LLP

THE PURPOSE OF A DECLARATORY judgment suit is to allow a party “who is reasonably at legal risk because of an unresolved dispute, to obtain judicial resolution of that dispute without having to await the commencement of legal action by the other side.”¹ Before the Supreme Court’s *MedImmune* decision, courts in patent cases looked to whether the conduct by the patentee created a reasonable apprehension on the part of the declaratory judgment plaintiff that it will face a patent infringement suit.²

Although a “reasonable apprehension of suit” is no longer required for initiating a declaratory judgment action involving a patent, jurisdiction in such cases still requires a “case or controversy” between parties having adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment.³ Only the defendant’s conducts or those authorized by the defendant may create such case or controversy. A claim for declara-

tory relief based on statements or acts not authorized by the patentee may be dismissed for lack of subject matter jurisdiction, and post-filing events may not cure the jurisdictional defect of an unripe lawsuit.⁴

MEDIMMUNE AND ITS PROGENY STILL REQUIRE SOME AFFIRMATIVE ACT BY THE PATENTEE

Notwithstanding the demise of the Federal Circuit’s “reasonable apprehension of suit” test, the Supreme Court’s *MedImmune* decision and subsequent Federal Circuit opinions continue to require some affirmative act by the patentee to create an actual controversy that is necessary to support subject matter jurisdiction for declaratory judgment in patent cases. There is nothing in *MedImmune* and its progeny to suggest that unauthorized statements could create an actual controversy to support declaratory relief.

In *MedImmune, Inc. v. Genentech, Inc.*, after the patentee made a specific demand for payment under an existing patent license based on a newly issued patent covered by that license, the licensee made the license payment, and then filed suit under the Declaratory Judgment Act to challenge the patent.⁵ The Federal Circuit had previously ruled that there was no declaratory judgment jurisdiction because there was no “reasonable apprehension of suit” to support declaratory relief since a licensor cannot sue a licensee in good standing who is making royalty payments.⁶ The Supreme Court reversed, finding that the payments were coerced by the patentee’s demand under the patent license.⁷

The Supreme Court rejected the Federal Circuit’s “reasonable apprehension of suit” test, and held that the requirements of a case or controversy are met where payment of a claim is demanded as of right, the coercive nature of which preserves the right to challenge the legality of the claim.⁸ The defendant’s affirmative conduct, however, is still required. In *MedImmune*, the conduct giving rise to jurisdiction for the declaratory judgment suit was the defendant patentee’s demand for payment based on a newly issued patent covered under an existing license between the parties. Such requirement for the defendant’s affirmative conduct is apparent in the line of cases after *MedImmune*.

In *SanDisk Corp. v. STMicroelectronics, Inc.*, the Federal Circuit stated, “declaratory judgment jurisdiction generally will not arise merely on the basis that a party learns of the existence of a patent owned by another or even perceives such a patent to pose a risk of infringement, without some affirmative act by the patentee.”⁹ Thus, *SanDisk* confirmed that a court must still look to the conduct by the patentee in evaluating whether there is subject matter jurisdiction for declaratory judgment. While *SanDisk* did not define the outer boundaries of declaratory judgment jurisdiction, something more than merely approaching a potential licensee for negotiation is not enough to establish jurisdiction.¹⁰ In *SanDisk*, jurisdiction existed because during the negotiation, the defendant patentee presented a detailed claim chart comparing its patents with the plaintiff’s accused products.¹¹

In another recent decision, *Sony Elecs., Inc. v. Guardian Media Techs.*,

Ltd., the defendant patentee, Guardian, sent letters offering a patent license to the plaintiff, Sony, in 2004 and 2005 (previously, a “notice of patent infringement” and claim chart had been sent by the inventor in 1999 before the patent was assigned to Guardian).¹² During the negotiations, Guardian asserted that Sony owed it royalties. Sony, on the other hand, contended that it had the right to engage in certain activities without a license. After the negotiations failed, Sony filed a declaratory judgment action in September 2005.¹³ The Federal Circuit held that a case or controversy existed between Sony and Guardian at the time of the complaint based on the 2004 and 2005 letters (without deciding whether the earlier 1999 letter by the inventor established subject matter jurisdiction).¹⁴ Because the patentee Guardian asserted that it was owed royalties during the license negotiations in response to Sony’s contention that it had a right to engage in certain activities without a license, there was an actual controversy based on the adverse positions taken by the parties made the dispute “manifestly susceptible of judicial determination.”¹⁵

More recently, in *Micron Tech., Inc. v. MOSAID Techs., Inc.*, MOSAID sent Micron several letters regarding MOSAID’s patented DRAM technology. MOSAID then sued other DRAM manufacturers on the technology.¹⁶ MOSAID’s public statements and annual reports confirmed its intent to continue an aggressive litigation strategy.¹⁷ During the four years after MOSAID’s last letter to Micron, MOSAID negotiated with other DRAM manufacturers.¹⁸ Despite the four year lapse in communication between MOSAID and Micron, the Federal Circuit found declaratory judgment jurisdiction because of MOSAID’s negotiations and lawsuits with other DRAM manufacturers during that period.¹⁹ The Court concluded that the pat-

entee’s activities during those four years established a substantial controversy of sufficient immediacy and reality to warrant declaratory judgment.²⁰

In *Teva Pharms. USA, Inc. v. Novartis Pharms. Corp.*, the patentee Novartis listed five patents in the Food and Drug Administration’s (“FDA”) Orange Book in connection with its Famvir® drug.²¹ The declaratory plaintiff Teva filed an Abbreviated New Drug Application (“ANDA”), certifying that its drug did not infringe any of Novartis’ five patents.²² The ANDA and patent statutes were amended in 2003 to expressly permit a declaratory judgment action challenging the patents listed in the Orange Book “to obtain patent certainty” if the patentee does not bring an infringement action within 45 days.²³ Although Novartis filed such an action against Teva within the deadline, the action concerned only one of the five patents listed in the Orange Book. Teva sought a declaratory judgment regarding the remaining four patents listed in the Orange Book by Novartis.²⁴ The Federal Circuit held that “Novartis’ selective [patent law suit created] uncertainty as to Teva’s legal rights under its ANDA.”²⁵ In view of these circumstances, “Teva’s injuries [were] traceable to Novartis’ conduct,” so there was an actual controversy sufficient to confer jurisdiction under the Declaratory Judgment Act.²⁶

In *Adenta GmbH v. American Orthodontics Corp.*, the Federal Circuit held that the threat to pursue legal remedies under a patent license in anticipation of a breach was sufficient to support declaratory relief.²⁷ American Orthodontics had acquired a patent that allegedly covered Adenta’s product, and the parties thereafter entered into an agreement in which Adenta would pay a royalty on that product under the patent.²⁸ Adenta later advised American Orthodontics that it would stop paying the latter royalties under a patent license

agreement because it believed the patent was invalid.²⁹ American Orthodontics responded that such action would breach the agreement, and that it would “pursue its available legal remedies to protect its rights.”³⁰ Adenta then filed a declaratory judgment action seeking to invalidate the patent. The Federal Circuit held that a “substantial controversy” existed to support declaratory judgment jurisdiction because American Orthodontics “indicated its intent to assert its rights under the [patent-in-suit] in the event that Adenta failed to pay royalties under the terms of the License Agreement.”³¹

In all of these decisions, some affirmative conduct by the defendant patentee is required to establish subject matter jurisdiction for a declaratory judgment action. That conduct must be by the defendant or by someone authorized by the defendant.

UNAUTHORIZED ACTS DO NOT SUPPORT DECLARATORY JUDGMENT REGARDLESS OF POST-FILING EVENTS

“Courts consistently have held that unless an agent has actual or apparent authority to assert claims of patent infringement or to initiate suit on the patentee’s behalf, the agent’s statements are insufficient to create an actual controversy.”³² To have apparent authority, “[t]he appearance of authority must be created by the principal[,]’ not the agent.”³³ These fundamental legal notions predate the Federal Circuit’s “reasonable apprehension of suit” test,³⁴ and are still being applied in patent cases post-*MedImmune*.³⁵ Below are post-*MedImmune* examples where these rules apply.

In *Capo, Inc. v. Dioptrics Med. Prods., Inc.*, declaratory judgment jurisdiction was based on statements from Dioptrics’ president cautioning Capo about “racing forward to infringement” and “charging down a path here that’s going to end up

into a multi-million dollar lawsuit.”³⁶ In determining whether a declaratory judgment action is appropriate, “it is the objective words and actions of the patentee that are controlling.”³⁷ There was no dispute that the company’s president had the authority to assert claims of patent infringement and initiate suit against a competitor. However, if a sales manager had made the same statements, jurisdiction might not be proper because it would not be reasonable to expect such a person to have the authority to assert patent infringement claims.³⁸

The case of *Boler Co. v. Raydan Mfg., Inc.*, is instructive. The declaratory judgment lawsuit was based on an incident at a trade show where Boler alleged that Rick Nissen, a marketing manager for Raydan, approached the Boler booth at the trade show, pointed to one of Boler’s products and said, “That’s where you are violating our patent.”³⁹ When Raydan’s President and CEO, Raymond English, approached the Boler booth, Mr. Nissen allegedly said, “I’d like you to meet your future boss, Ray English. We are going to own your company.”⁴⁰ Mr. Nissen, the Raydan marketing manager denied making these statements, and Mr. English stated that he did not hear any of these alleged statements.⁴¹ There was no allegation that the Raydan CEO made any threatening statements. The Court noted that, “after the incident, no one from Boler contacted Raydan’s management to express any concern about the [patent], to discuss any potential conflict between the parties, or to express any concern about potential infringement....”

Instead, Boler proceeded to file its complaint for declaratory judgment less than one week later.⁴² The Court then noted that it did not need to resolve the factual dispute regarding whether the alleged statements were ever made because “as a marketing manager, Nissen bears no responsibility for evalu-

ating whether a competitor’s product infringes Raydan’s patents, nor does he have any authority to make claims of patent infringement or to initiate suit on Raydan’s behalf,” and it was “not objectively reasonable” to conclude otherwise.⁴³ The suit for declaratory judgment was then dismissed for lack of an actual controversy.

Thus, where a sales manager (or someone else unlikely to have the authority to assert patent infringement) accuses a competitor of infringing a patent, it may be premature for that competitor to rush to court to file a declaratory judgment action without first establishing whether these statements were actually authorized by the company. Otherwise, the competitor may be proceeding on little more than speculation, and risks dismissal for lack of a concrete case or controversy for declaratory relief.⁴⁴ This would also apply to where the competitor receives hearsay reports from its customers that do not name the person who allegedly made the statements. Without more, such anonymous statements should not provide a basis for dragging a patentee into court for declaratory judgment.

This is not to say that a competitor would have no options to resolve the situation. For example, as suggested by the *Boler* court, a competitor can improve its chances of establishing jurisdiction by engaging in a direct dialog with the patentee (whether the company president or another with authority) regarding the possible controversy between the parties. If there was a misunderstanding from the sales meeting, or if the statement was made but unauthorized, steps could be taken by the patentee to avoid a recurrence. In this instance, there would be no actual controversy for purposes of declaratory judgment. However, if the patentee refuses to correct its employee’s statements or if the employees continue to make similar statements, the competitor can argue the authorization is

inferred which creates an actual controversy to support jurisdiction for declaratory relief.

A competitor could also attempt to force the patentee to make statements that would give rise to jurisdiction. A competitor could assert that the patent is invalid, unenforceable, or not infringed and demand a response from the patentee. While the patentee could volunteer a statement which may create an actual patent controversy, a wise patentee would simply decline to take a position and say that no one has been authorized to make charges of patent infringement.

“A ‘controversy’ cannot be created by challenging a defendant to state his opinion and then disputing the defendant’s conclusions.”⁴⁵ More would be needed to establish an actual controversy to support a declaratory judgment action, and the competitor may have to take a wait-and-see attitude.

In addition to the authority of the accused actors, the timing of their actions is also important to the question of jurisdiction. If the competitor nonetheless files a declaratory judgment action, it could be subject to dismissal under Rule 12(b)(1) for lack of subject matter jurisdiction. Even if subsequent events occur which may establish an actual controversy, those events cannot serve to establish the necessary subject matter jurisdiction for declaratory judgment at the time suit was filed.⁴⁶ It is well-established that “later events may not create jurisdiction where none existed at the time of filing.”⁴⁷ Therefore, in addition to the authority of the accused actors, the timing of their actions is also important to the question of jurisdiction.

When confronted with allegations of patent infringement from sources of questionable authority, one should refrain from jumping the gun in a forum-seeking race to the courthouse. Instead, the facts should be investigated, which

may include opening a direct dialog with someone having clear authority regarding the patent. Afterwards, a determination can be made as to whether there is a proper jurisdictional foundation under the totality of the circumstances for declaratory relief. ■

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James Juo is a partner at the Los Angeles office of Fulwider Patton LLP, which specializes in intellectual property law including patents, trademarks and copyrights. Mr. Juo works on both patent prosecution and litigation matters, including patent litigation at both the trial and appellate level, and can be contacted at jjuo@fulpat.com.

Endnotes

1. *BP Chems. Ltd. v. Union Carbide Corp.*, 4 F.3d 975, 977 (Fed. Cir. 1993); see also *Minn. Mining & Mfg. Co. v. Norton Co.*, 929 F.2d 670, 673 (Fed. Cir. 1991) (“In promulgating the Declaratory Judgment Act, Congress intended to prevent avoidable damages from being incurred by a person uncertain of his rights and threatened with damage by delayed adjudication.”); *Arrowhead Indus. Water Inc. v. Ecolochem, Inc.*, 846 F.2d 731, 735 (Fed. Cir. 1988) (Absent declaratory judgment, a party is “helpless and immobile so long as the patent owner refuse[s] to grasp the nettle and sue.”).
2. See *Arrowhead*, 846 F.2d at 736.
3. *MedImmune, Inc. v. Genentech, Inc.*, ___ U.S. ___, 127 S. Ct. 764, 771, 166 L. Ed. 2d 604 (2007) (quoting *Maryland Casualty Co. v. Pacific Coal & Oil Co.*, 312 U.S. 270, 273, 61 S. Ct. 510, 85 L. Ed. 826 (1941)); see also *CAT Tech. LLC v. TubeMaster, Inc.*, No. 07-1443, 2008 WL 2188049, at *7 (Fed. Cir. May 28, 2008) (“*MedImmune* articulated a ‘more lenient legal standard’ for the availability of declaratory judgment relief in patent cases.”) (citation omitted).
4. In addition, even if there is subject matter jurisdiction, a district court has the discretion to decline jurisdiction in a race-to-the-courtthouse situation. *Tempco Elec. Heater Corp. v. Omega Eng’g, Inc.*, 819 F.2d 746, 750 (7th Cir. 1987) (“The federal declaratory judgment is not a prize to the winner of the race to the courthouse.”) (citation omitted); see also *Wilton v. Seven Falls Co.*, 515 U.S. 277, 288 (1995) (district court’s discretion to accept jurisdiction for declaratory judgment is subject to “considerations of practicality and wise judicial administration”). “The wholesome purpose of declaratory acts would be aborted by its use as an instrument of procedural fencing either to secure delay or to choose a forum.” *Tempco Elec.*, 819 F.2d at 750 (citations omitted). In the Ninth Circuit, in addition to whether the declaratory action is being sought merely for the purposes of procedural fencing, other pertinent considerations include the convenience of the parties, and the availability of other remedies. *Gov’t Employees Ins. Co. v. Dizol*, 133 F.3d 1220, 1225 n.3 (9th Cir. 1998).
5. *MedImmune*, 127 S. Ct. at 768.
6. *MedImmune, Inc. v. Genentech, Inc.*, 427 F.3d 958, 964 (Fed. Cir. 2005).
7. *MedImmune*, 127 S. Ct. at 773.
8. *Id.*
9. *SanDisk Corp. v. STMicroelectronics, Inc.*, 480 F.3d 1372, 1380-1 (Fed. Cir. 2007) (emphasis added).
10. *Id.* at 1382.
11. *Id.* at 1381.
12. *Sony Elec., Inc., v. Guardian Media Techs., Ltd.*, 497 F.3d 1271, 1274-5 (Fed. Cir. 2007). In 1999, before the patent was assigned to Guardian, the inventor sent a “notice of patent infringement” and a claim chart to the plaintiff. The court, however, did not decide whether this conduct contributed to the establishment of jurisdiction.
13. *Id.* at 1276.
14. *Id.* at 1285.
15. *Id.* at 1285-6 (quoting *Aetna Life Ins. Co. v. Haworth*, 300 U.S. 227, 242 (1937)).
16. *Micron Tech., Inc. v. MOSAID Techs., Inc.*, 518 F.3d 897, 901 (Fed. Cir. 2008) (“Beginning in 2001, after receiving several threats itself, Micron watched MOSAID sue each of the other leading DRAM manufacturers.”).
17. *Id.*
18. *Id.*
19. *Id.*
20. *Id.* at 902.
21. *Teva Pharm. USA, Inc. v. Novartis Pharm. Corp.*, 482 F.3d 1330, 1334 (Fed. Cir. 2007). By listing its Famvir® patents in the FDA’s Orange Book, “Novartis represent[ed] that ‘a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use or sale’ of generic famciclovir covered by the claims of its listed Famvir® patents.” *Id.* at 1341 (citing 21 U.S.C. § 355(b)(1)).
22. *Id.* at 1334.
23. *Id.* at 1335 (citing 21 U.S.C. § 355(j)(5)(C) and 35 U.S.C. § 271(e)(5)).
24. *Id.* at 1343. This is also analogous to the situation where the patentee files suit only on a trade secret claim against the same technology. See *Vanguard Research, Inc. v. PEAT, Inc.*, 304 F.3d 1249, 1255 (Fed. Cir. 2002) (Subject matter jurisdiction for declaratory judgment where the patentee filed a separate suit “for, among other things, misappropriation of trade secrets regarding the same technology in the same district court.”); *Goodyear Tire & Rubber Co. v. Releasomers, Inc.*, 824 F.2d 953, 956 (Fed. Cir. 1987) (“By suing Goodyear in state court for the same technology as is now covered by the patents, Releasomers has engaged in a course of conduct that shows a willingness to protect that technology.”).
25. *Teva Pharm.*, 482 F.3d. at 1345.
26. *Id.* at 1346.
27. *Adenta GmbH v. Am. Orthodontics Corp.*, 501 F.3d 1364, 1370 (Fed. Cir. 2007).
28. *Id.* at 1366. A wrinkle in this case is that American Orthodontics had acquired the patent-in-suit as the result of a settlement of prior litigation where American Orthodontics had been accused of infringing that same patent by the original patentee OrthoArm. American Orthodontics manufactured and distributed an Adenta product that was accused of infringement in the litigation (but Adenta apparently was not a named party in the prior litigation). As part of the settlement of this litigation,

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Could orphan works be used in these countries as an excuse for permitting insubstantial enforcement and remedies against copyright infringers in their countries?

9. It remains to be seen whether the legislation will have a disproportionate impact on visual artists (like photographers, illustrators, painters, graphic artists and the like) since, according to visual artists associations and organizations, visual artists (i) commonly published work without credit lines or because credit lines can be easily removed, and (ii) are generally self-employed. According to these groups, the costs and volume of work makes registration prohibitive.¹² These groups further contend that publishers and other art licensees will be less likely to commission new work from artists if they can use “orphaned” images.
10. The Copyright Office’s “Statements of Best Practices” for conducting and documenting the reasonably diligent search remains to be seen. What will constitute a diligent search for the copyright owner will obviously be critical in determining a work’s “orphaned” status.

The debate among interest groups on both sides of the issue over the pending orphan works legislation is expected to intensify. ■

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Andres Quintana, Esq. is the principal at the Quintana Law Group, APC, an intellectual property firm in Woodland Hills, California. He may be reached at andres@qlglaw.com. For more information about the Quintana Law Group, APC, please visit www.qlglaw.com.

Endnotes

1. Notice of Inquiry, U.S. Copyright Office, January 26, 2005 (available at <http://www.copyright.gov/fedreg/2005/70fr3739.html>).
2. Pub.L. No. 102–307, 106 Stat. 264 (1992).
3. Pub.L. No. 105–298, 112 Stat. 2827 (1998).
4. Notice of Inquiry, U.S. Copyright Office, January 26, 2005 (available at <http://www.copyright.gov/fedreg/2005/70fr3739.html>).
5. The Berne Convention article 5(2) “no formalities” requirement has been incorporated by reference into both the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPS”), and the WIPO Copyright Treaty (“WCT”). See Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, art. 9.1, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instruments—Results of the Uruguay Round vol. 31, 33 I.L.M. 81, 87 (1994); WIPO Copyright Treaty, Apr. 12, 1997, art. 3, S. Treaty Doc. No. 105-17 (1997), 36 I.L.M. 65, 69 (1997). The WIPO Performances and Phonograms Treaty (“WPPT”) contains an express “no formalities” provision without reference to the Berne Convention. See WIPO Performances and Phonograms Treaty, Apr. 12, 1997, art. 20, S. Treaty Doc. No. 105–17 (1997), 36 I.L.M. 76, 80 (1997).
6. *Kahle v. Gonzales*, 487 F.3d 697, 699 (9th Cir. 2007).
7. U.S. Copyright Office, Report On Orphan Works, January 2008, p.17 (available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>).
8. U.S. Copyright Office, Report On Orphan Works, January 2008, p.7 (available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>).
9. Copyright: Orphan Works. American Library Association (2006–08). Retrieved on 2006-11-28.
10. U.S. Copyright Office, Report On Orphan Works, January 2008, p.93 (available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>).
11. See generally 471 U.S. 539, 550-555 (1985).
12. <http://www.artistsfoundation.org/talkingpoints.html>.

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“OrthoArm assigned the [patent-in-suit] to American, and American agreed to pay OrthoArm a four percent royalty.” American Orthodontics and Adenta later “entered into a Royalty Sharing Agreement wherein each party agreed to pay OrthoArm half of the four percent royalty obligation.” OrthoArm alleged “that American and Adenta conspired to contest the validity of the [patent-in-suit].” It was OrthoArm, and not American Orthodontics, that asserted lack of subject matter jurisdiction for Adenta’s declaratory judgment action.

29. *Id.* at 1366.
30. *Id.*
31. *Id.* at 1370.
32. *Boler Co. v. Raydan Mfg., Inc.*, 415 F. Supp. 2d 896, 902 (N.D. Ill. 2006); see also *Sherman Treaters, Ltd. v. Ahlbrandt*, 607 F. Supp. 939, 943 (D.D.C. 1985) (“patentee should not be subjected to a declaratory judgment action for charges of infringement which he did not level himself or allow another to level”); *Bausch & Lomb Inc. v. CIBA Corp.*, 39 F. Supp. 2d 271, 274 (W.D.N.Y. 1999) (no actual controversy where there was no evidence that co-inventor of patent had actual or apparent authority to assert infringement charge on patentee’s behalf).
33. *Boler*, 415 F. Supp. 2d at 903 (quoting *Dr. Beck & Co. G.M.B.H. v. Gen. Elec. Co.*, 210 F. Supp. 86, 90 (S.D.N.Y. 1962), *aff’d*, 317 F.2d 538, 539 (2d Cir. 1963)). For example, one would not expect someone in sales to have the authority to assert patent infringement claims. *Boler*, 415 F. Supp. 2d at 903.
34. See *Dr. Beck and Co. G.M.B.H. v. Gen. Elec. Co.*, 317 F.2d 538, 539 (2d Cir. 1963) (“A charge of infringement made by agents who have no authority to make it does not create an actual controversy” for declaratory judgment.)

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so appointed was acting as a de facto officer.

In essence, the law fixes Congress' mistake in shifting appointment authority to the Director and would require the Secretary of Commerce to make future appointments of APJs to the BPAI, in consultation with the Director. Most notable is the law's creation of a retroactive defense to any challenges to the constitutional authority of APJs previously appointed by the Director.⁸

While an interesting constitutional issue with potentially significant consequences, as a practical matter none of the controversy over the appointed BPAI judges changed the way patent attorneys practice before the USPTO on a daily basis. It comes as no surprise, given the potential embarrassment to both the legislative and executive branches, that Congress and the President moved quickly to attempt to remedy the defect Professor Duffy perceived in the appointment process. However, the effectiveness of the remedy remains to be seen. Until the Federal Circuit or U.S. Supreme Court issues a ruling on the constitutionality of the remedy itself, patent practitioners may still wish to consider raising the issue in any pending or potential appeal from a BPAI decision where the BPAI panel included an APJ appointed by the Director after March 2000 and prior to enactment of the remedy into law. Regardless, this has been yet another reminder to all patent practitioners that small mistakes can have big consequences. ■

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Matthew J. Spark is an Associate at the Los Angeles office of Venable LLP. Mr. Spark focuses his practice on patent prosecution, patent counseling, and patent litigation. Mr. Spark can be contacted at mjspark@Venable.com.

Endnotes

1. John F. Duffy, *Are Administrative Patent Judges Unconstitutional?*, 2007 Patently-O Patent L.J. 21, at <http://www.patentlyo.com/lawjournal/2007/07/are-administrat.html>.
2. In this respect the situation can be contrasted with a lawsuit filed around the same time Professor Duffy's essay appeared challenging Margaret Peterlin's appointment as deputy director of the USPTO. Four inventors and patent attorneys alleged that Ms. Peterlin did not possess "a professional background and experience in patent or trademark law" as required by a federal statute, 35 USC § 3(b). *Abaronion, et al. v. Gutierrez*, No. 07-1224 (JR) (D.D.C. filed July 9, 2007). The district court judge dismissed the case, holding that there was no private cause of action under the statute for Ms. Peterlin's removal and that the Administrative Procedure Act did not allow for review of the appointment.
3. *In re Translogic Technology, Inc.*, 504 F.3d 1249 (Fed. Cir. 2007).
4. *Translogic Technology, Inc. v. Hitachi, Ltd.*, ___ F.3d ___ (Fed. Cir. 2007).
5. *In re Translogic Technology, Inc.*, 2008 U.S. App. LEXIS 2755 (Fed. Cir. Jan. 24, 2008).
6. Marcia Coyle, *Patent Board's Rulings in Doubt*, National Law Journal, April 28, 2008; Adam Liptak, *In One Flaw, Questions on Validity of 46 Judges*, New York Times, May 6, 2008.
7. In the Intellectual Property and Communications Omnibus Reform Act of 1999 (enacted on November 29, 1999, and in effect on March 29, 2000) Congress placed the power to appoint APJs in the hands of the Director instead of the Secretary of Commerce.
8. Whether such a retroactive defense is itself constitutional is beyond the scope of this article.
35. See *ACCO Brands USA, LLC v. Accentra, Inc.*, No. 07-1401, slip op. at 1 (N.D. Ill. Mar. 13, 2008).
36. *Capo, Inc. v. Dioptrics Med. Prods., Inc.*, 387 F.3d 1352, 1353 (Fed. Cir. 2004).
37. *Id.* at 1356 (quoting *BP Chems. Ltd. v. Union Carbide Corp.*, 4 F.3d 975, 979 (Fed. Cir. 1993)).
38. *Boler*, 415 F. Supp. 2d at 903 (no declaratory judgment jurisdiction because a marketing manager lacks both actual and apparent authority to assert patent infringement claims on defendant's behalf).
39. *Id.* at 899.
40. *Id.*
41. *Id.* at 899-900.
42. *Id.* at 900.
43. *Id.* at 903. In addition, Mr. English, as President and CEO of Raydan, had previously issued a written policy to all Raydan employees "prohibiting conversations with actual/potential customers and competitors regarding Raydan's patents or the inferiority of a competitor's product." *Id.* at 900.
44. *Cf. Atlanta Gas Light Co. v. Aetna Cas. & Sur. Co.*, 68 F.3d 409, 415 (11th Cir. 1995) (no jurisdiction for declaratory judgment filed by insurance company before its insures received notice of potential liability).
45. *Int'l Soc. For Krishna Consciousness, Inc. v. Reber*, 454 F. Supp. 1385, 1388 (C.D. Cal. 1978).
46. *Benitec Australia, Ltd. v. Nucleonics Inc.*, 495 F.3d 1340, 1344 (Fed. Cir. 2007); see also *Steffel v. Thompson*, 415 U.S. 452, 459 n.10, 94 S. Ct. 1209, 39 L. Ed. 2d 505 (1974).
47. *Spectronics Corp. v. H.B. Fuller Co.*, 940 F.2d 631, 635 (Fed. Cir. 1991); see also *Ryobi America Corp. v. Peters*, 815 F. Supp. 172, 174 (D.S.C. 1993) (a party cannot "bootstrap" jurisdiction for declaratory judgment by relying on post-filing activities).

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