No. 05-130

IN THE
SUPREME COURT OF THE UNITED STATES

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eBay Inc.,et al.
Petitioners,
v.
MercExchange, L.L.C
Respondent,

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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Amicus Brief of Malla Pollack and
Other Legal Scholars
Supporting eBay Inc., et al.

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Interest of the *Amici Curiae*

Amici curiae are legal scholars specializing in patent law, constitutional law, and related subjects. None of *amici* have any financial interest in the outcome of this litigation.[1] *Amici* provide their institutional affiliations for identification purposes only; they do not purport to represent the opinions or interests of their respective institutions. *Amici*'s sole interest in this case is to encourage the proper unfolding of law in their areas of specialty.

Authority to File

Both parties have given permission for Pollack to file this *amicus* submission. Copies of blanket permission letters have been filed with the Clerk.

Summary of Argument

This Court should recognize that a patentee's failure to practice an infringed invention is relevant to the availability of injunctive relief, despite contrary language in Continental Paper Bag Co. v. Eastern Paper Bag Co., 210 U.S. 205 (1908). The Patent Clause of the United States Constitution gives Congress the power to enact only such patent statutes as promote the distribution of useful technology. This constitutionally set goal informs the meaning of the public interest factor in the standard equitable test for injunctive relief. While injunctions require case by

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1. No party has authored this brief in whole or in part. The printing of this *amicus* filing was paid for by Malla Pollack with the generous support of the University of Idaho, College of Law.

case analysis, courts should presume that equitable relief is unwarranted if a patentee is neither practicing the infringed invention nor making a good-faith effort to prepare to practice the invention.

Argument

I. The Patent Clause of the United States Constitution Aims at the Distribution of New Technology

The United States Constitution provides Congress with the power "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. Const. Art. I, sec. 8, cl. 8 (hereinafter the "Patent Clause," or "the Clause"). The Clause is both a grant of power to enact copyright and patent statutes, and a limit on the statutory schemes allowable. *See* Graham v. John Deere Co., 383 U.S. 1, 5 (1966).

The Clause's intended beneficiary is the public. *See* Motion Picture Patents Co. v. Univ. Film Mfg. Co., 243 U.S. 502, 511 (1917) ("It is undeniably true that the limited and temporary monopoly granted to inventors was never designed for their exclusive profit or advantage; the benefit to the public or community at large was another and doubtless the primary object in granting and securing that monopoly."). *See also Graham*, 383 U.S. at 6 (explaining that patent grant cannot be expanded "without regard to the innovation, advancement or social benefit gained thereby.").

The question raised in this case is the public benefit the patentee should provide during the term of the patent.

A. "Progress" Means "Distribution"

This Court has never separately defined the word 'progress' in the Clause. However, the Court has recognized that the defining characteristic of a patent is its allowing the "general circulation" of an item necessary to profit from the item's commercialization while restricting competition through reverse engineering. *See* Bonito Boats v. Thunder Craft Boats, 489 U.S. 141, 157-68 (1989) (explaining bounds of preemption by patent law). Repeated dicta, furthermore, recognize the Clause's purposes as including public distribution of copyrightable works and patentable technology. *See, e.g.,* Eldred v. Ashcroft, 537 U.S. 186, 206 (2003) ("The CTEA may also provide greater incentive for American and other authors to create and disseminate their work in the United States;" referring to the Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298); *Eldred,* 537 U.S. at 206-07 (Congress "rationally credited projections that longer terms would encourage copyright holders to invest in the restoration and public distribution of their works."); *id.* at 219 ("[C]opyright supplies the economic incentive to create and disseminate ideas.") (quoting Harper & Row v. Nation, 471 U.S. 539, 558 (1985)).

Statements explaining the Clause only in terms of encouraging the qualitative advancement of knowledge and technology were made without empirical support, and on the unrecognized, incorrect assumption that the most common mid-nineteenth century use of 'progress' was identical to the word's meaning in the 1787 Constitution. As to patent, furthermore, the qualitative advancement of useful arts is required by the words "inventors" and "discoveries," which limit patentability to variations not obvious to a person of

ordinary skill in the relevant art. *See* Graham, 383 U.S. at 11 (reiterating that no patent may be granted when "the improvement is the work of the skillful mechanic, not that of the inventor.") (internal quotation marks and citation omitted). "Progress" in the Clause has a disparate function. *See* Wright v. U.S., 302 U.S. 583, 588 (1938) ("In expounding the Constitution . . . every word must have its due force, and appropriate meaning; for it is evident from the whole instrument, that no word was unnecessarily used, or needlessly added.") (internal quotation marks and citation omitted).

Recent empirical research demonstrates that, in the United States of the ratifying era, the general public would have read the Clause to give Congress the power to promote the *spread* or *distribution* of knowledge and new technology by creating limited statutory incentives for writings and inventions. *See* Malla Pollack, *What is Congress Supposed to Promote?: Defining 'Progress" in Article I, Section 8, Clause 8 of the U.S. Constitution, or Introducing the Progress Clause*, 80 Nebraska L. Rev. 754, 809 (2001) (hereinafter "*Progress"*).

While this Court has an eclectic approach to constitutional interpretation, original public meaning is a foundational component.[2] *See, e.g.,* Alden v. Maine, 527

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2. Using modern public meaning in the Clause, furthermore, would undermine long-standing case law and statute allowing the "writings" of "authors" to include music, sculpture, and paintings. *See Progress*, *supra*, at 780.

U.S. 706, 758 (1999) ("We seek to discover [in reading the Constitution], however, only what the Framers and those who ratified the Constitution sought to accomplish....").

Ratification era and related political documents are not helpful in defining 'progress'.[3] Dictionaries of the era include multiple definitions (with physical movement predominating). More importantly, these dictionaries were not based on any empirical investigation of public word use. Editors compiled dictionaries by borrowing from earlier lexicons and supplementing with ideosyncraticly chosen quotations from the literati. Dictionaries largely reflected upper class writing habits.[4] Dictionaries, therefore, may be helpful rapid reference tools, but cannot be the final word on eighteenth century definitions. The upper class slant of these dictionaries is especially troubling. The meaning of the Constitution is its meaning to the generality of the public, not to the elite. *See, e.g.,* Ogden v. Sanders, 25 U.S. (12 Wheat.) 213, 332 (1827) (Marshall, C.J.) (listing as an axiom of constitutional interpretation "that its words are to be understood in that sense in which they are generally used by those for whom the instrument was intended."); Joseph Story, Commentaries on the Constitution of the United States 332 (3d ed. 1858) (explaining that constitutions "are instruments of a practical nature . . . designed for common use, and fitted for common understandings. The people make them; the people adopt them, the people must be supposed to read them

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3. *See Progress, supra,* at 782-87.

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4. *See id.* at 794-97.

. . . .").

To determine word usage by the generality of eighteenth century Americans, one should investigate what ordinary people read – primarily (often solely) the Bible and newspapers.[5] The King James Version of the Bible does not use the word 'progress',[6] but the Pennsylvania Gazette includes 575 occurrences.[7] The most common Gazette

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5. *See* Forrest McDonald & Ellen Shapiro McDonald, Requiem: Variations on Eighteenth Century Themes 9 (1988); *see also, e.g.,* David D. Hall, *The Uses of Literacy in New England, 1600-1850, in* Printing and Society in Early America 1, 1 (eds. William L. Joyce, et al., Am. Antiquarian Soc'y 1983) (importance of religious works, especially the Bible); *id.* at 12, 21-22 (explaining that Bible and other devotional works were routinely read aloud and customarily memorized, even by the illiterate); Donald S. Lutz, *Connecticut, in* Ratifying the Constitution 117, 127-30 (eds. Michael Allen Gillespie & Michael Lienesch 1989) (mentioning importance of newspaper reading); Robert Allan Rutland, The Ordeal of the Constitution 24 (1983) (same).

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6. *See* http://www.av1611.org/kjv (providing a computer searchable file of the King James Bible); <http://www.gospelcom.net/> (same). The 1611 King James Version was the standard American Bible during the ratification era. *See* Thurston Greene, The Language of the Constitution xviii (1991).

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7. My search included all issues through the end of the

meaning of 'progress' is physical movement, spread, distribution.[8] 'Fire' is the one word must commonly employed in the phrase "the progress of ___".[9] Eighteenth century Americans also spoke of the progress of armed men (including invading troops), ravenous insects, bad weather, and grave illnesses.[10] These everyday linkages demonstrate

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eighteenth century, using the full text searchable database available through Accessible Archives, Inc. <http://www.accessible.com/default.htm>; *see Progress*, *supra*, at 798-803.

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8. *See Progress, supra,* at 798. "Distribution" is also the eighteenth century meaning which makes most sense both of the full Clause and of the political context. *See id.* at 788-94. For example, if 'progress' meant "quality improvement," the Federalists risked alienating possible supporters of the proposed constitution. In the eighteenth century, "science" included moral philosophy. *See id.* at 791 n.178 (providing multiple sources). Giving Congress the power to promote the quality improvement of moral philosophy would imply that mankind could improve on the Gospels. Not only would that be bad politics, but Anti-Federalists did not make this argument – strongly suggesting that the ratifying era public did not read 'progress' in Art. I, sec. 8, cl. 8 to mean "quality improvement."

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9. *See* Progress, *supra*, at 799 (reporting 51 usages).

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10. *See id.*

that the word 'progress' was limited neither to desirable outcomes[11] nor to movement along a two-dimensional line.

Research on other material widely read during the

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11. "Chronological ordering" was a slightly less common ratification-era meaning of 'progress', *see Progress, supra,* at 798 & n.216, but it did not imply quality improvement. For example, Shakespeare's famous lines on the seven stages of man, ending not with improvement, but with "second childishness and mere oblivion, [s]ans teeth, sans eyes, sans taste, sans every thing," William Shakespeare, *As You Like It,* Act II, Scene V, ll. 147-75, is entitled "The Progress of Life" in several very common ratification era school books. *See* 1 Robert Dodsley, The Preceptor: Containing a General Course of Education. Wherein the First Principles of Polite Learning are Laid Down in a Way Most Suitable for Trying the Genius, and Advancing the Instruction of Youth 62 (3d ed. London 1758; University Microfilms Int'l, American Culture Series Reel 397.1); William Enfield, The Speaker, or Miscellaneous Pieces xxii, 208 (Baltimore, Md 1803; No. 4163, 2d Ser., Early Am. Reprints, microfiche); John Hamilton Moore, The Young Gentlemen and Lady's Monitor, and English Teacher's Assistant 356 (10th ed. , Hartford, Conn., 1801; No. 950, 2d Ser., Early Am. Imprints; microfiche). These textbooks are recognized as strong competitors by Noah Webster. *See* Noah Webster, An American Selection of Lessons in Reading and Speaking at unnumbered prefatory page (Arno Press 1974 reprint of 5th ed. 1789).

ratification era supports this conclusion.[12] For example, one of the few best-sellers in early America was John Bunyan's The Pilgrim's Progress (1678).[13] This famous 'progress' is an allegorical journey, as per the full title: "The Pilgrim's Progress From This World To That Which Is To Come, Delivered Under A Similitude Of A Dream: Wherein Is Discovered The Manner Of His Setting Out, His Dangerous Journey, and Safe Arrival At The Desired Country (1678). Christian, Bunyan's hero, does not arrive at "The Desired Country" because his qualitative moral improvement earns

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12. *See Progress*, 754-815.

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13. *See* Frank Luther Mott, Golden Multitudes: The Story of Best Sellers in the United States 19-20 (1947). The Gazette includes twelve booksellers' advertisements expressly listing The Pilgrim's Progress. *See* Accessible Archive Items Numbered 06302 (1744), 06382 (1744), 5272 (1742), 04907 (1742), 04850 (1741), 04533 (1741), 36763 (1765), 35749 (1765), 34048 (1764), 19071 (1755), 10647 (1749), and 27581 (1761). Many other sources confirm the extraordinary popularity of Bunyan's allegory during the ratification era. See, e.g., Benjamin Franklin, The Autobiography of Benjamin Franklin, Poor Richard's Almanac, and Other Papers 13 (ed. A.L. Burt, New York, n.d.); W. Grinton Berry, *editor's preface, to* Foxe's Book of Martyrs v, v (Baker Book House, Michigan 13th printing 1990); Mark A. Noll, Protestants In America 34 (Oxford Univ. Press 2000).

entry to heaven; his salvation is due solely to grace.[14] The standard New England hymnal, The Bay Psalm Book, contains only one mention of 'progress', referring to a divine journey.[15] John Milton's *Paradise Lost* also uses the word 'progress' only once, also invoking a journey: God's chariot proceeds "[i]n progress through the [road] of Heav'n Starr-

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14. *See, e.g.,* Jonathan Edwards, *Sinners in the Hands of an Angry God*, (sermon delivered July 8, 1741, Enfield, Conn.), available at <http://www.leaderu.com/cyber/books/edwards/sinners.html> (explaining doctrine of salvation by grace alone).

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15. [l.24] They have thy goings seen o God
Thy goings in progresse;
Ev'n of my God my King within
Place of his holynesse.
[l25] Singers went first, musicians then,
In midst maids with Timbrel.

The Bay Psalm Book at unnumbered pages headed "PSA lx viii" (Univ. of Chicago Press, n.d., facsimile of 1640 ed.). Unfortunately, other then-popular collections of religious songs have no occurrences of 'progress'. *See* Richard Allen, A Collection of Hymns & Spiritual Songs from Various Authors (Philadelphia 1801; microfiche; no. 38, 2d Ser., Early Am. Imprints); Elhanan Winchester, The Universalist's Hymn Book (London 1994; microform; Univ. Microfilms Int'l, reel 17 no. 27 in Early Baptist Publications). Nor does the word appear in any of the 700 psalms by Isaac Watts available on line at <http://www.ccel.org/w/watts/psalmshymns>.

pav'd."[16]

The central importance of distribution conflicts neither with incentivising new inventions and new writings, nor with qualitatively improving mankind's lot. As per contemporary economic research, "most of income above subsistence is made possible by international diffusion of knowledge." Peter J. Klenow & Adrés Rodrigquez-Clare, *Externalities and Growth*, National Bureau of Economic Research Working Paper 11009 (Dec. 2004), *available at* <http://www.nber.org/papers/w1109>.

Regarding patent, the qualitative advancement of useful arts is required by the words "inventors" and "discoveries," which limit patentability to changes not obvious to a person of ordinary skill in the relevant art. *See Graham*, 383 U.S. at 5-12.

Regarding copyright, the early Enlightenment's tool for qualitative advance is the distribution of learning. If, and only if, society provides all humans with knowledge and education, then all humans will have the capacity to develop, therefore, humanity as a whole (and humanity's shared knowledge base) will improve as if by some natural process. *See* Condorcet, Sketch for a Historical Picture of the Progress of the Human Mind 33, 38, 42, 73-76, 92-93, 99-106, 117-20, 136-40, 164, 171, 173, 182-84, 186-88 (June Barraclough trans., Noonday Press, New York, n.d.); Turgot, *On*

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16. John Milton, *Paradise Lost, in* John Milton, The Poetical Works of John Milton 1, 98 (ed. Helen Darbishire, Oxford Univ. Press 1961 reprint of 1958 ed.) (Book IV, l. 976).

Universal History, in Turgot On Progress, Sociology and Economics 61, 116-18 (Ronald L. Meek trans. & ed., Cambridge Univ. Press 1973); *accord* John Adams, *Thoughts on Government: Applicable to the Present State of the American Colonies, in* 4 John Adams, The Works of John Adams, Second President of the United States With A Life of the Author 189, 199 (ed. Charles Francis Adams, 1851) ("Laws for the liberal education of youth, especially of the lower class of people, are so extremely wise and useful, that to a humane and generous mind, no expense for this purpose would be thought extravagant."); A Gentleman from Rhode Island, Letter of June 7, 1787, *reprinted in* Penn. Gazette, June 20, 1787 ("Nothing but the general diffusion of knowledge will ever lead us to adopt or support proper forms of government. . . . Nor does learning benefit government alone; agriculture, the basis of our national wealth and manufactories, owe all their modern improvements to it."); James Madison, Letter from James Madison to W.T. Berry (Aug. 4, 1822), *in* James Madison, The Complete Madison 337 (Saul K. Padover ed., 1953) ("Knowledge will forever govern ignorance"; "A popular government without popular information or the means of acquiring it is but a prologue to a farce or a tragedy, or perhaps both."); Noah Webster, *An Examination into the Leading Principles of the Federal Constitution, by a Citizen of America, in* Pamphlets on the Constitution of the United States Published During Its Discussion by the People 1787-1788, at 25, 66 (Paul Leicester Ford ed., 1888, Da Capo Press reprint ed. 1968) ("[L]iberty stands on the immovable basis of a general . . . diffusion of knowledge."); *see also* Gordon S. Wood, The Creation of the American Republic 1776-1787, at 72, 120,

426, 570 (1998 paperback ed.) (discussing importance of general education to ratifying generation). Similarly, many ratifying-era state constitutions encourage public education. *See* Ga. Const. (1777) Art. LIV; Mass. Const. (1780) ch. V, § II; N.C. Const. (1776) LXI; N.H. Const. (1784); Pa. Const. (1776) § 22.

In sum, 'progress' in the Clause means "distribution."

B. The Quid Pro Quo for a Patent Includes Availability of the New Technology to the Public

The clear language of the Constitution sets the inventor's minimum payment to the public at the distribution of the technology itself. Starting with the first patent act, Congress has also required inventors to disclose information about their discoveries,[17] but this additional requirement does not negate the constitutional importance of distributing the technology itself.

The parallel structure of the Clause makes distribution of "useful arts" the aim of patent law (exclusive rights for inventors of discoveries); the distribution of "science" is the aim of copyright law (exclusive rights for authors of writings). *Accord Graham*, 383 U.S. at 5-6 (United States

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17. *See* 35 U.S.C. § 112, ¶ 1 (1952 Patent Act & current statute; requiring an enabling written description in the application); Patent Act of 1836 §§ 6, 7, 5 stat. 117 (requiring written description in application); Patent Act of 1793 § 3, 1 Stat. 318 (requiring written description in application); Patent Act of 1790, 1 Stat. 109 (requiring written description to be filed as soon as patent granted).

"patent system . . . by constitutional command must 'promote the Progress of . . . useful Arts.'").

The eighteenth century meaning of 'useful arts' is technology. *See* Robert I. Coulter, *The Field of Statutory Useful Arts, Part II*, 34 J. Of Pat. Off. Soc'y 487, 495-96 (1952); Robert A. Kreiss, *Patent Protection for Computer Programs and Mathematical Algorithms*, 29 N.M. L. Rev. 31, 62, 64-66 (1998); Malla Pollack, *The Multiple Unconstitutionality of Business Method Patents*, 28 Rutgers Computer & Tech. L.J. 61, 86-87 (2002); John R. Thomas, The Post-Industrial Patent System, 10 Fordham Intel. Prop. Media & Ent. L.J. 3, 32-37 (1999). Noah Webster's discussion of 'art' is instructive:

> 1. The disposition or modification of things by human skill, to answer the purpose intended. In this sense art stands opposed to nature. Bacon. Encyc.
>
> 2. A system of rules, serving to facilitate the performance of certain actions; opposed to science or speculative principles; as the art of building or engraving. Arts are divided into useful or mechanic, and liberal or polite. The mechanic arts are those in which the hands and body are more concerned than the mind; as in making clothes and utensils. These arts are called trades. The liberal or polite arts are those in which the mind or imagination is chiefly concerned; as poetry, music and painting.

Noah Webster, American Dictionary of the English Language, at unnumbered page headed "ARR-ARS-ART" (Foundation for Am. Christian Educ. photo. reprint, 1998)(1828).

The eighteenth century meaning of 'science' is

knowledge in general. *See* S. Rept. No. 82-1979, 82nd Cong., 2d Sess. 3 (1952); *see also* Webster, *supra*, at unnumbered page headed "SCI-SCI-SLA" ("SCIENCE, n. . . . (1) In a *general sense* . . . . knowledge . . . (2) In *philosophy*, a collection of the general principles or leading truths relating to any subject. . . (3) Art derived from precepts or built on principles . . . (4) Any art or species of knowledge . . . (5) One of the seven liberal branches of knowledge, viz grammar, logic, rhetoric, arithmetic, geometry, astronomy and music").

The Clause, therefore, allows only patent statutes which encourage distribution of technology and only copyright statutes which incentivise dissemination of knowledge.

The Patent Clause is a bargain between the public and the inventor. *See, e.g., Eldred*, 537 U.S. at 216-17; *Bonito Boats*, 489 U.S. at 150 ("a carefully crafted bargain"). *Continental Paper Bag* incorrectly lowers the inventor's required consideration to merely the information included in the patent application. *Continental*'s sole support for this assertion is one case which mentions disclosure in passing. *See Continental Paper Bag*, 210 U.S. at 424 (citing U.S. v. Am. Bell Telegraph Co., 167 U.S. 239, n.p. (1897)). The statement in *American Bell* is dicta; *Continental* was the first Supreme Court case adjudicating the relationship between practicing an invention and the availability of injunctive relief. *See Continental*, 210 U.S. at 425.

American Bell was "a suit by the United States to set aside a patent for an invention as wrongfully issued." *Am. Bell,* 167 U.S. at 237. The language on which *Continental* relies does not purport to decide a dispute over what

consideration the patentee must give the public in return for obtaining a patent. In drawing a distinction between the more potent property conveyed by a government issued patent in land and the less potent property right conveyed by a government issued patent in an invention, *American Bell* recognized that an inventor may keep his discovery secret without legal penalty. "After his invention [the inventor] could have kept his discovery secret to himself. He need not have disclosed it to any one. But in order to induce him to make that invention public, to give all a share in the benefits resulting from such an invention, [C]ongress by its legislation made in pursuance of the [C]onstitution, has" allowed issuance of patents on inventions. *Am. Bell*, 167 U.S. at 239. More recent cases also recognize that "immediate disclosure" of the invention "is exacted from the patentee" as a "price paid for the exclusivity secured" by the patent. *Eldred*, 537 U.S. at 216 (citations omitted). None, however, have rethought *Continental*'s conclusion that disclosure is the only required consideration.[18]

The clear language of the Constitution sets the inventor's minimum payment to the public at the distribution of the technology itself. The dicta relied upon in *Continental* is insufficient to modify the constitutional bargain.

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18. Justice Douglas did call for the abandonment of *Continental* in a case considering a patent grant, as opposed to an injunction in a patent infringement suit. *See* Special Equipment Co. v. Coe, 324 U.S. 370, 382-83 (1945) (Douglas, dissenting).

II. The Patent Clause Informs the Equitable Test for Injunctive Relief

Congress allows injunctions in patent cases, but has not ordered the courts to displace the general standard for injunctive relief. *See* 35 U.S.C. § 283. Injunctions generally are available only when the requester fulfills a multi- part test. *See, e.g.,* Weinberger v. Romero-Barcelo, 456 U.S. 305, 312 (1982) (reversing appellate court's grant of injunction denied by district court). "In exercising their sound discretion [regarding injunctive relief], courts of equity should pay particular regard for the public consequences." *Id.* *Continental* fails to "pay particular regard for the public consequences." *Weinberger*, 456 U.S. at 312.

The United States Constitution defines the public interest goal of patent statutes as the distribution of new technology. A patentee who does not practice his or her invention within the United States is undermining the public interest which founds legal recognition of personal patent rights. Therefore, a patent holder who is neither practicing the infringed invention nor making a good-faith effort to prepare to practice the invention should be presumed to fail the public interest prong. Promotion of the progress of useful arts is "the standard expressed in the Constitution and it may not be ignored." *Graham*, 293 U.S. at 6.

Courts should presume that injunctions are unavailable to patent holders who are neither practicing their infringed inventions nor making good-faith efforts to prepare to practice their inventions. *Continental*'s broad language undermines the Constitution's patent bargain.

III. *Continental* Provided Insufficient Basis for Its Disarticulation of Injunctive Relief from the Patent Holder's Practicing the Invention

The scanty discussion of the Clause during ratification does not include any explication of the quid pro quo required from inventors for patent grants. However, the background British patent regime "was the practice of giving some form of limited-term monopoly privilege to engage in a new trade or craft, sometimes denominated an industry, to the person or persons responsible for introducing it [the trade or craft] into the state." *See* Edward C. Walterscheid, *The Nature of the Intellectual Property Clause, A Study in Historical Perspective (Part I)*, 83 J. Pat. & Tmk. Off. Soc'y 763, 777 (2001). The patentee's quid pro quo was introduction of the new technology or product to the public of Great Britain. For that reason, in the early eighteenth century, an invention was novel enough to be patentable if it had not been practiced in Great Britain recently. Ancient (but discontinued) practice or others' knowledge of the technology was insufficient to negate patentability until later in the century. *See* Edward C. Walterscheid, *The Early Evolution of the United States Patent Law: Antecedents (Part 3 Continued)*, 77 J. Pat. & Tmk. Off. Soc'y 847, 848-49 (1995). This shift did not limit the patentee's quid pro quo to disclosure; it merely constricted the number of patents courts were willing to enforce. *See* Edward C. Walterscheid, *The Early Evolution of the United States Patent Law: Antecedents (Part 4)*, 78 J. Pat. & Tmk. Off. Soc'y 77, 102 (1996) (remarking on hostility of British courts to patents during the late eighteenth century). Similarly, in the late eighteenth century, British courts began insisting that patents were invalid unless their

paperwork explained the invention clearly enough to teach others how to practice the invention. *See id.* at 105-06. However, insisting on disclosure does not negate the requirement of practicing the invention. Disclosure is an additional payment, not a substitute. *See* E. Wyndham Hulme, *On the History of Patent Law in the Seventeenth and Eighteenth Centuries*, 18 L.Q.R. 280, 281-82 (1902) (reporting that British patentees were required to practice their inventions).

Congress has allowed the issuance of unworked patents,[19] but has never stated that patentees who do not work their inventions are entitled to mandatory (or almost mandatory) injunctions. Distinguishing patent holders who work their inventions from patent holders who do not do so is unimportant unless the patent holder wields the patent to foreclose others from practicing the invention. However, most patents are not used against competitors. Almost two-thirds of all issued patents lapse for failure to pay maintenance fees. *See* Mark A. Lemely, *Rational Ignorance at the Patent Office*, 95 Northwest Univ. L. Rev. 1495, 1503 (2001). Very few patents are litigated. *See id.* at 1501("At most about two percent of all patents are ever litigated, and less than two-tenths of all issued patents actually go to court."). If an invention is commercially viable, most patentees presumably will arrange for the technology's use. *See* Woodbridge v. U.S., 263 U.S. 50, 55-56 (1923) ("Congress relies for the public benefit to be derived from the

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19. Except as to alien-inventors from 1832 through 1836. *See Continental*, 210 U.S. at 429.

invention during the monopoly on the natural motive for gain in the patentee to exploit his invention and to make, use, and vend it or its product or to permit others to do so, for profit."). The existence of a mere-paper patent (one never used against an alleged infringer) hurts no one.

However, injunctions only issue if the alleged infringer wants to employ the technology. If the patent holder is not using the invention, an injunction forecloses all use of a commercially viable technology. Allowing patent injunctions that prevent any public use of the technology for the term of the patent is facially counter to the constitutional purpose of incentivising the distribution of technology. One could speculate that such extreme private entitlements are necessary to incentivise later dissemination of sufficient additional inventions, but Congress has not made such a finding and the empirical material is to the contrary. Multiple persons tend to invent the same subject matter at about the same time. *See, e.g.* T.S. Kuhn, *Energy Conservation as an Example of Simultaneous Discovery, in* Critical Problems in the History of Science 321-56 (M. Clagett, ed.; Univ. of Wisconsin Press 1969); B.S. Park, *The Contexts of Simultaneous Discovery*, 31 Studies in History and Philosophy of Science Part B 451-474 (2000). The numerosity of interferences supports this conclusion. *See* U.S. Pat. & Tmk. Off., Dept. of Commerce, Performance and Accountability Report for Fiscal Year 2005, at 122 (2005) (reporting 351 interferences pending as of Sept. 30, 2005).

Perhaps Congress would have the constitutional power to decide that injunctions for suppressed inventions are necessary for a patent scheme which overall promotes the distribution of new technology. However, absent clear

congressional statement, the courts should not push statutes toward the outer limit of congressional power. *See* INS v. St. Cyr, 533 U.S. 289, 299 (2001) ("[W]hen a particular interpretation of a statute invokes the outer limits of Congress' power, we expect a clear indication that Congress intended that result"; invoking "plain statement rule."). Without extremely clear statutory language, the Court will not assume "that Congress intended to infringe constitutional liberties or usurp power constitutionally forbidden it." DeBartolo Corp. v. Florida Gulf Coast Bldg. & Constr. Trades Council, 485 U.S. 568, 575 (1988)(invoking canon to prevent First Amendment question regarding "truthful[]" handbills).

Continental implied that only disclosure was required of the patentee, not just for patent validity, but for injunctive relief. *Continental* was decided in 1908, too far from 1789 to claim the gloss of original understanding of the Constitution by those who drafted and helped ratify it. The most interesting aspect of the *Continental* opinion is the sparseness of both its reasoning and its citations to authority. It jumped in one dizzying leap from a few cases classifying a patent as a property right (to exclude others from practicing an invention) to the conclusion that injunctive relief is available for all patent infringements.[20] No intermediate positions were recognized as even conceivable.

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20. *Continental* allowed injunctive relief to a patentee who was not working the invention. It did not take the further step of holding that injunctions must almost always be granted to non-working patent holders.

This naive theory of private property has long been abandoned. *See, e.g.,* Lucas v. S. Car. Coastal Council, 505 U.S. 1003, 1029-31 (1992) (recognizing that property interests, even those in real estate, are limited by underlying legal doctrines); Proprietors of the Charles River Bridge v. Proprietors of the Warren Bridge, 36 U.S. 420, 544, 549 (1837) (requiring construction of bargain between investors in toll bridge and the public to reflect the interest of the whole community). The Federal Circuit's strong presumption for injunctive relief in patent infringement cases is a lingering ghost of long dead doctrine.

Conclusion

For the reasons discussed above, this Court should both reverse the case at bar and adopt the constitutionally supported presumption that injunctions are unwarranted for patent holders who are neither practicing their infringed inventions nor making good-faith efforts to prepare to practice their inventions.

Respectfully Submitted, Jan. ____, 2006:

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