

IMPROVING THE FEDERAL CIRCUIT'S APPROACH TO CHOICE OF LAW FOR PROCEDURAL MATTERS IN PATENT CASES

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INTRODUCTION

Congress created the U.S. Court of Appeals for the Federal Circuit in 1982 when it enacted the Federal Court Improvements Act of 1982 ("FCIA").¹ The FCIA gave the Federal Circuit exclusive jurisdiction over appeals of patent decisions of the district courts.² An important purpose of

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¹ *E.g.*, Rochelle Cooper Dreyfuss, *The Federal Circuit: A Case Study in Specialized Courts*, 64 N.Y.U. L. REV. 1, 3 (1989) (citing Pub. L. No. 97-164, 96 Stat. 25); Lee Petherbridge & R. Polk Wagner, *The Federal Circuit and Patentability: An Empirical Assessment of the Law of Obviousness*, 85 TEX. L. REV. 2051, 2056-57 (2007) (citing same).

² 28 U.S.C. § 1295(a)(1) (2000). But the Supreme Court in *Vornado* held that "[n]ot all cases involving a patent-law claim fall within the Federal Circuit's jurisdiction." *Holmes Group, Inc. v. Vornado Air Circulation Sys., Inc.*, 535 U.S. 826, 834 (2002). *See generally* Christopher A. Cotropia, "Arising Under" *Jurisdiction and Uniformity in Patent Law*, 9 MICH. TELECOMM. & TECH. L. REV. 253, 279-85 (2003) (summarizing the *Vornado* case); Larry D. Thompson, Jr., *Adrift on a Sea of Uncertainty: Preserving Uniformity in Patent Law Post-Vornado Through Deference to the Federal Circuit*, 92 GEO. L.J. 523, 540-63 (2004) (describing the *Vornado* decision and analyzing whether it was correctly decided). Under *Vornado*, the Federal Circuit has jurisdiction only where "a patent-law claim appears on the face of the plaintiff's well-pleaded complaint." *Vornado*, 535 U.S. at 834. Thus, the Federal Circuit does not have jurisdiction over patent-law claims that arise solely in counterclaims. *See id.*

The Federal Circuit also hears appeals from the Board of Patent Appeals and Interferences of the U.S. Patent and Trademark Office. 28 U.S.C. § 1295(a)(4)(A) (2000). Moreover, "[p]artly out of recognition of the dangers of specialization," the FCIA "supplemented [the Federal Circuit's] jurisdiction with adjudicatory authority in such diverse areas as trademark, tariff and customs law, technology transfer regulations, and government contract and labor disputes." Dreyfuss, *supra* note 1, at 4 (footnotes omitted); accord Charles W. Adams, *The Court of Appeals for the Federal Circuit: More Than a National Patent Court*, 49 MO. L. REV. 43, 82 (1984). *See generally id.* at 65-75 (describing the Federal Circuit's jurisdiction); Joseph R. Re, *Brief Overview of the Jurisdiction of the U.S. Court of Appeals for the Federal Circuit Under § 1295(a)(1)*, 11 FED. CIR. B.J. 651 (2002) (same); Adam E. Miller, Note,

Congress in creating the Federal Circuit was to bring national uniformity to patent law.³ Before the creation of the Federal Circuit, “patent cases [were] inconsistently adjudicated” by the regional circuit courts of appeals.⁴ Business leaders contended that this inconsistent adjudication led to uncertainty, and this uncertainty stifled innovation.⁵ Thus, the FCIA created the Federal Circuit to “provid[e] for uniformity of doctrinal development in the patent area.”⁶ Moreover, Congress hoped that this “uniformity [would] reduce the forum-shopping that is common to patent litigation.”⁷

The Federal Circuit faces a unique choice-of-law question because it is virtually unique “in that its jurisdiction is defined in terms of subject matter rather than geography.”⁸ This uniqueness creates the choice-of-law problem

The Choice of Law Rules and the Use of Precedent in the Federal Circuit: A Unique and Evolving System, 31 OKLA. CITY U. L. REV. 301, 304-10 (2006) (same).

³ See, e.g., S. REP. NO. 97-275, at 2-6 (1981), reprinted in 1982 U.S.C.C.A.N. 11, 12-16; see also *Vornado*, 535 U.S. at 838 (Stevens, J., concurring in part and concurring in the judgment) (describing the Federal Circuit as a “specialized court that was created, in part, to promote uniformity in the development of [patent] law”); *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1360 (Fed. Cir. 1999) (en banc in relevant part) (“[O]ne of the principal purposes for the creation of this court [was] to promote uniformity in the law with regard to subject matter within our exclusive appellate jurisdiction.”); Dreyfuss, *supra* note 1, at 2-4; Joan E. Schaffner, *Federal Circuit “Choice of Law”*: Erie Through the Looking Glass, 81 IOWA L. REV. 1173, 1178-79 (1996).

⁴ S. REP. NO. 97-275, at 5, 1982 U.S.C.C.A.N. at 15; accord, e.g., H.R. REP. NO. 97-312, at 20-21 (1981) (“[S]ome circuit courts are regarded as ‘pro-patent’ and other ‘anti-patent’ . . .”); Adams, *supra* note 2, at 57 (“[A] patent’s validity depended on where it was litigated.”); Dreyfuss, *supra* note 1, at 6-7 (“Statistics demonstrate that in the period 1945-1957, a patent was twice as likely to be held valid and infringed in the Fifth Circuit than in the Seventh Circuit, and almost four times more likely to be enforced in the Seventh Circuit than in the Second Circuit.”); Henry J. Friendly, *The “Law of the Circuit” and All That*, 46 ST. JOHN’S L. REV. 406, 413 (1972) (characterizing some circuits as “‘tough’ on patents” and others as “more favorably disposed”); see Petherbridge & Wagner, *supra* note 1, at 2057 (observing that Congress enacted the FCIA “when it was widely thought that the legal infrastructure of the patent system was in disarray”).

The problem of inconsistent patent adjudication among the circuits existed for many years before creation of the Federal Circuit. For example, in 1899, one commentator noted:

[T]he appellate court of each circuit takes on a local color. That of one circuit is avowedly opposed to patents and sustains not one in twenty, thereby encouraging infringements and tending to throw the whole patent system into disrepute; that in another is liberally inclined toward patents, going, perhaps, in some instances, to extremes to sustain them, with the result of localizing litigation and congesting business in that particular court.

Melville Church, *Reasons Why the Appellate Jurisdiction of the Supreme Court in Patent Causes Should Be Restored*, 8 YALE L.J. 291, 292-93 (1899).

⁵ Petherbridge & Wagner, *supra* note 1, at 2058.

⁶ S. REP. NO. 97-275, at 5, 1982 U.S.C.C.A.N. at 15.

⁷ *Id.*

⁸ *Id.* at 3, 1982 U.S.C.C.A.N. at 13; accord Charles L. Gholz, *Choice of Law in the United States Circuit Court of Appeals for the Federal Circuit*, 13 AIPLA Q.J. 309, 309 (1985); S. Jay Plager & Lynne E. Pettigrew, *Rethinking Patent Law’s Uniformity Principle: A Response to Nard and Duffy*, 101 NW. U. L. REV. 1735, 1735 (2007); Miller, *supra* note 2, at 301. Another appellate court whose jurisdiction was defined by its subject matter rather than geography was the Temporary Emergency Court of Appeals (“TECA”), which existed from 1970 through 1993. See *Tex. Am. Oil Corp. v. U.S. Dep’t of*

that the court faces.⁹ Normally, in a non-patent-related case, a district court applies the procedural law¹⁰ precedent created by the regional circuit court that reviews the district court's decisions. However, because the Federal Circuit reviews all cases in which a patent-related claim was raised in a well-pleaded complaint, rather than the regional circuit court,¹¹ a choice-of-law question arises: What precedent should the district courts and Federal Circuit apply to procedural issues in patent cases—that of the regional circuit or the Federal Circuit?

Under its current choice-of-law rules, the Federal Circuit's purported default rule is to apply the procedural law¹² of the regional circuit of the district court where the case was heard.¹³ But where a particular procedural matter sufficiently implicates substantive patent law, the court instead purportedly applies its own law.¹⁴ Although this rule may seem straightforward on its face, in actuality, problems have arisen in the application of this rule. For one thing, the Federal Circuit has articulated this test in many different ways over the years.¹⁵ And this inconsistent articulation has led to inconsistent application.¹⁶ Indeed, the Federal Circuit has inconsistently applied its choice-of-law rules both within particular issues (i.e., intra-issue inconsistency) and between different issues that the court should seemingly treat the same (i.e., inter-issue inconsistency). As a result, district courts and litigants

Energy, 44 F.3d 1557, 1562 (Fed. Cir. 1995) (en banc). For a description of the formation and abolishment of TECA, as well as its jurisdiction and its choice-of-law rules for procedural matters, see *infra* note 297.

⁹ Gholz, *supra* note 8, at 309; Schaffner, *supra* note 3, at 1176-78; Thompson, *supra* note 2, at 581; see Dreyfuss, *supra* note 1, at 38 (describing the Federal Circuit's choice-of-law rules as "almost unique in federal jurisprudence").

¹⁰ This Article addresses only the issue of choice of procedural law. It does not address the related issue of choice of substantive law.

¹¹ *Holmes Group, Inc. v. Vornado Air Circulation Sys., Inc.*, 535 U.S. 826, 834 (2002).

¹² This Article uses terminology such as "regional-circuit law" and "Federal Circuit law" because the Federal Circuit uses this same terminology. See, e.g., *Biomedical Patent Mgmt. Corp. v. California, Dep't of Health Servs.*, 505 F.3d 1328, 1334 (Fed. Cir. 2007) ("This court applies Federal Circuit law, rather than regional circuit law, to the issue of Eleventh Amendment waiver."); *Elecs. for Imaging, Inc. v. Coyle*, 340 F.3d 1344, 1348 (Fed. Cir. 2003) ("We begin with the choice-of-law question: whether the personal jurisdiction analysis in this case is pursuant to Federal Circuit or regional circuit law."); Schaffner, *supra* note 3, at 1175 n.8. However, this terminology is not completely accurate because the Federal Circuit is not actually choosing between the law of different jurisdictions but instead is "addressing a choice between exercising its own independent judgment or deferring to another circuit's judgment on a legal issue." Schaffner, *supra* note 3, at 1175 n.8.

¹³ See, e.g., *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359 (Fed. Cir. 1999) (en banc in relevant part).

¹⁴ See, e.g., *id.*

¹⁵ See *Biodex Corp. v. Loredan Biomedical, Inc.*, 946 F.2d 850, 856 (Fed. Cir. 1991) ("This test has been variously and inconstantly phrased.").

¹⁶ See *infra* Part II (discussing the Federal Circuit's inconsistent application of its choice-of-law rules).

in patent cases often cannot be sure which law applies to a particular procedural issue.

This Article evaluates the Federal Circuit's current choice-of-law rules for procedural issues in patent cases and contrasts these current rules with other possible rules. Other possible choice-of-law rules include: (1) applying Federal Circuit law to all issues that "either impact upon the patent-related primary activity of the parties or . . . relate to patent policy and invoke the special expertise of the Federal Circuit";¹⁷ (2) determining whether to apply regional-circuit or Federal Circuit law by using an "essential-relationship spectrum";¹⁸ (3) applying regional-circuit law to all procedural issues in patent cases; and (4) applying Federal Circuit law to all procedural issues in patent cases. To evaluate these different possibilities, this Article considers how each of them advances or retards the institutional interests, needs, and goals of the players involved—namely, the Federal Circuit, the district courts, and the litigants. This Article concludes that in patent cases, the Federal Circuit should apply its own law to all procedural issues, regardless of whether these issues are related to substantive patent law. As described in detail *infra*, applying Federal Circuit law to all procedural issues would advance the interests of achieving nationwide uniformity in patent cases, increasing predictability, reducing forum shopping, allowing the Federal Circuit opportunities to avoid overspecialization, and increasing the Federal Circuit's opportunities to use its independent judgment.

This Article begins in Part I by discussing how the Federal Circuit's choice-of-law approach in procedural matters first arose and developed. Next, in Part II, this Article examines how the Federal Circuit has applied its choice-of-law rules inconsistently and improperly. In Part III, this Article considers possible ways to improve the Federal Circuit's choice-of-law rules for procedural matters in patent cases. Finally, this Article ultimately concludes that the Federal Circuit should abandon its current choice-of-law rules and instead adopt a rule whereby Federal Circuit law would apply to all procedural issues in patent cases.

I. ORIGINS OF THE FEDERAL CIRCUIT'S CHOICE-OF-LAW APPROACH

Soon after the creation of the Federal Circuit, the court recognized that it would have to decide whether to apply the law of the Federal Circuit or the law of the regional circuit to procedural matters in patent cases. To address this issue, the Federal Circuit developed rules to determine which law to apply to a particular procedural issue. This Part traces how the Federal Circuit's choice-of-law rules for procedural matters in patent cases first

¹⁷ Schaffner, *supra* note 3, at 1228.

¹⁸ Sean M. McEldowney, Comment, *The "Essential Relationship" Spectrum: A Framework for Addressing Choice of Procedural Law in the Federal Circuit*, 153 U. PA. L. REV. 1639, 1673-76 (2005).

arose and developed. Part I.A begins by discussing the *Litton* case, in which the Federal Circuit first recognized the existence of its choice-of-law problem. Next, Part I.B discusses the *Panduit* case, in which the Federal Circuit articulated a choice-of-law rule for procedural matters for the first time.

A. *Litton: Recognition of the Choice-of-Law Problem*

Although Congress apparently never anticipated that this choice-of-law problem would arise,¹⁹ in 1984 the Federal Circuit first recognized the existence of the choice-of-law problem in *Litton Systems, Inc. v. Whirlpool Corp.*²⁰ In *Litton*, the court was confronted with this problem when it had to determine which standard of review to apply in reviewing the issue of likelihood of confusion under the Lanham Act.²¹ The case was tried in the U.S. District Court for the District of Minnesota, which is located in the Eighth Circuit.²² The Eighth Circuit considered likelihood of confusion to be an issue of fact and thus applied the clearly erroneous standard.²³ However, under Federal Circuit precedent at the time, likelihood of confusion was an issue of law reviewed de novo.²⁴ Thus, the stage appeared to be set for the Federal Circuit to formulate a rule governing choice of law for procedural matters not relating to patent law.

However, the Federal Circuit sidestepped the issue.²⁵ The court first noted that it had “yet to issue an opinion on which rule it [would] follow in a Lanham Act case where the district court was located in a circuit having a

¹⁹ Gholz, *supra* note 8, at 310.

²⁰ 728 F.2d 1423 (Fed. Cir. 1984), *overruled on other grounds by* *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992).

²¹ *Id.* at 1445. “The Lanham Act was intended to make ‘actionable the deceptive and misleading use of marks’ and ‘to protect persons engaged in . . . commerce against unfair competition.’” *Two Pesos*, 505 U.S. at 767-68 (quoting 15 U.S.C. § 1127). “[T]he central concept in all trademark infringement litigation [under the Lanham Act] is the concept of ‘likelihood of confusion.’” ROGER E. SCHECHTER & JOHN R. THOMAS, *INTELLECTUAL PROPERTY: THE LAW OF COPYRIGHTS, PATENTS AND TRADEMARKS* 637 (2003) (citing 15 U.S.C.A. § 1052(d) (2000)). The concept of likelihood of confusion “aid[s] consumers in relocating goods that have pleased them in the past” and protects them from being misled “into purchasing the ‘wrong’ product.” *Id.* Thus, trademark infringement may exist under the Lanham Act where a likelihood of confusion exists—i.e., where “there [is] some risk that the consumer will be confused into thinking that the defendant’s product has some connection with the owner of the mark.” *Id.*

²² *Litton*, 728 F.2d at 1426; 28 U.S.C. § 41 (2000).

²³ *Litton*, 728 F.2d at 1445 (citing *SquirtCo v. Seven-Up Co.*, 628 F.2d 1086, 1091 (8th Cir. 1980)).

²⁴ *Id.* (citing *Giant Food, Inc. v. Nation’s Foodservice, Inc.*, 710 F.2d 1565, 1569 (Fed. Cir. 1983)).

²⁵ *Id.*

precedent differing from one [the court] later established.”²⁶ The court then recognized that it did not have to decide this issue in this case because the court held that the district court had committed reversible error under either standard.²⁷ Thus, the court concluded that “[a] decision as to the exact level of error which is necessary for reversal . . . must await a case where resolution is necessary.”²⁸ However, a case in which the Federal Circuit had to decide the issue of which law to apply to a non-patent-related procedural issue arose later the same year.

B. *Panduit: Genesis of Choice-of-Law Rules for Procedural Matters*

The Federal Circuit had its first opportunity to articulate a choice-of-law standard for procedural matters not relating to patent law in *Panduit Corp. v. All States Plastic Manufacturing Co.*²⁹ At issue in *Panduit* was a district court’s grant of a motion to disqualify counsel.³⁰ Before reviewing the district court’s decision, the Federal Circuit first decided whether it would apply its own law to the issue or the law of the regional circuit.³¹ The court held that it would apply the law of the regional circuit to procedural matters³² “that are not unique to patent issues.”³³ In doing so, the court relied on the policy of “minimizing confusion and conflicts in the federal judicial system.”³⁴

In recognizing the existence of the choice-of-law problem, the court noted that its “jurisdictional grant . . . places practitioners and district courts in a unique posture: they are accountable to two different courts of ap-

²⁶ *Id.* The court also noted that neither of the parties “appear[ed] to have recognized the problem . . . , for neither party . . . raised the issue.” *Id.*

²⁷ *Id.*

²⁸ *Litton*, 728 F.2d at 1445.

²⁹ 744 F.2d 1564 (Fed. Cir. 1984), *overruled on other grounds* by *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985); *see* Schaffner, *supra* note 3, at 1182 (“The Federal Circuit first addressed the choice of law issue in depth in *Panduit Corp. v. Allstates [sic] Plastic Manufacturing Co.*”).

³⁰ *Panduit*, 744 F.2d at 1571. The court also considered as a threshold issue whether the court had jurisdiction to review the district court’s decision motion to disqualify counsel. *Id.* The court held that it did have jurisdiction and relied on precedent of the Court of Customs and Patent Appeals that the grant of such a motion “is an immediately appealable decision.” *Id.* at 1572. However, a year later, the U.S. Supreme Court reached the opposite conclusion and held that “orders disqualifying counsel in civil cases, as a class, are not sufficiently separable from the merits to qualify for interlocutory appeal.” *Richardson-Merrell*, 472 U.S. at 440.

³¹ *See Panduit*, 744 F.2d at 1572-76.

³² The court defined “procedure” as “the judicial process for enforcing rights and duties recognized by substantive law and for justly administering remedy and redress for disregard or infraction of them.” *Id.* at 1574 n.12 (quoting *Sibbach v. Wilson & Co.*, 312 U.S. 1, 14 (1941)).

³³ *Id.* at 1574-75.

³⁴ *Id.* at 1574.

peals.”³⁵ The court further noted that district courts must apply Federal Circuit law to substantive patent matters but apply regional-circuit law to other substantive matters.³⁶ Moreover, the court recognized that these requirements

create[] a problem that was possibly unforeseen by Congress. That problem is which law must a district court apply in matters that are procedural in nature such as the attorney disqualification question in the instant case. In a case where this court does not have appellate jurisdiction, the district court would be deciding that question in light of the law of its regional circuit court. Since we have jurisdiction to review all matters in a case that is appealable to us, the district court would then be obligated to decide that question in light of our precedents.³⁷

The court emphasized that “[s]uch bifurcated decisionmaking is not only contrary to the spirit of [the court’s] enabling legislation but also the goal of the federal judicial system to minimize confusion and conflicts.”³⁸

The court began by considering the legislative history of the court’s enabling statute.³⁹ The court pointed out that one of its chief objectives “is to bring about uniformity in the area of patent law.”⁴⁰ The court reasoned that “[t]he fundamental underpinning for uniformity was Congress’ abhorrence of conflicts and confusion in the judicial system . . . , and it must remain the spirit and guiding principle of this court.”⁴¹ The court concluded that because its “mandate is to eliminate conflicts and uncertainties in the area of patent law, [it] must not, in doing so, create unnecessary conflicts and confusion in procedural matters.”⁴²

The court next considered this same policy of minimizing conflicts and confusion as a general goal of the judicial system apart from the court’s enabling statute.⁴³ The court reasoned that to reduce conflicts and confusion, attorneys and district court judges should not have to follow two sets

³⁵ *Id.* at 1573.

³⁶ *Id.* The Federal Circuit chose to apply regional-circuit law to substantive non-patent issues for three principal reasons. Schaffner, *supra* note 3, at 1189-91. First, the court sought to prevent the creation of additional opportunities for forum shopping. *Id.* at 1189 (citing *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422, 1437 (Fed. Cir. 1984)). Indeed, had the court decided to apply its own law to substantive non-patent issues, litigants would have had the ability to shop between the law of the regional circuits and the Federal Circuit. *Id.* at 1190. Second, the court sought to avoid empowering itself beyond its jurisdictional grant concerning substantive patent law. *Id.* (citing *Atari*, 747 F.2d at 1438). Third and finally, the court reasoned that because “it had no exclusive jurisdiction over nonpatent claims, it had no mandate to help unify the substantive law in those areas.” *Id.* at 1190-91 (citing *Bandtag, Inc. v. Al Bolser’s Tire Stores*, 750 F.2d 903, 909 (Fed. Cir. 1984)).

³⁷ *Panduit*, 744 F.2d at 1573.

³⁸ *Id.*

³⁹ *Id.* at 1573-74.

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.* at 1575.

⁴³ *Panduit*, 744 F.2d at 1574.

of law on procedural questions with no connection to patent-law uniformity depending on whether the case was a patent case to be appealed to the Federal Circuit or a non-patent case to be appealed to the local regional circuit.⁴⁴ The court further reasoned:

Although the adoption of this policy could on occasion require this court to reach disparate results in procedural matters in light of disparate viewpoints from the regional circuit courts, it is nonetheless preferable for the twelve judges of this court to handle such conflicts rather than for countless practitioners and hundreds of district judges to do so. The task of deciding issues in light of different laws is no worse than the existing duty of federal judges to decide diversity cases or pendent state matters in view of state law.⁴⁵

Thus, the court concluded that “as a matter of policy, . . . the Federal Circuit shall review procedural matters[] that are not unique to patent issues[] under the law of the particular regional circuit court where appeals from the district court would normally lie.”⁴⁶ The court observed that it would follow regional-circuit precedent on issues where such precedent exists.⁴⁷ However, the court noted that where such regional-circuit precedent does not exist concerning a particular issue, the court must “predict how that regional circuit would have decided the issue in light of the decisions of that circuit’s various district courts, public policy, etc.”⁴⁸ Moreover, the court observed that “[t]he exact parameters of [the court’s choice-of-law] ruling [concerning procedural matters] will not be clear until such procedural matters are presented to [the] court for resolution.”⁴⁹ Ultimately, in *Panduit*, the court applied the law of the regional circuit in reviewing the district court’s order granting the motion to disqualify counsel.⁵⁰

II. THE FEDERAL CIRCUIT HAS ARTICULATED AND APPLIED ITS CHOICE-OF-LAW RULE INCONSISTENTLY AND IMPROPERLY

After the Federal Circuit first announced its choice-of-law test in *Panduit*, the court began to follow an inconsistent and “meandering path” in articulating this test.⁵¹ Indeed, the court itself noted that “[t]his test has been

⁴⁴ *Id.*

⁴⁵ *Id.* at 1575.

⁴⁶ *Id.* at 1574-75 (footnote omitted). Additionally, the court noted that it would apply only its own precedent in cases where the Federal Circuit “has exclusive jurisdiction over all appeals from a particular court,” such as the Court of International Trade and the Claims Court. *Id.* at 1575 (emphasis omitted).

⁴⁷ *Id.*

⁴⁸ *Panduit*, 744 F.2d at 1575.

⁴⁹ *Id.*

⁵⁰ *Id.* at 1576.

⁵¹ McEldowney, *supra* note 18, at 1665; see also Kenneth R. Adamo et al., *Survey of the Federal Circuit’s Patent Law Decisions in 2000: Y2K in Review*, 50 AM. U. L. REV. 1435, 1486 (2001) (“The

variously and inconstantly phrased.”⁵² From 1984 to 1990, the court articulated its choice-of-law approach in at least nine different ways,

ask[ing], respectively, whether the procedural issue: (1) “is one ‘over which this court does not have exclusive appellate jurisdiction’”; (2) “concerns a ‘subject which is not unique to patent law’”; (3) “is ‘not specific to our statutory jurisdiction’”; (4) “may be ‘related’ to ‘substantive matters unique to the Federal Circuit’”; (5) “‘will come on appeal to this court [in most cases involving the issue]’ thereby putting us in a ‘good position to create a uniform body of federal law’ on the issue”; (6) is one for which “there is existing and expressed uniformity among the circuits,” in which case “we have generally conformed our law to that of the regional circuits, without regard to the relationship of the issue to our exclusive jurisdiction”; (7) “involves an interpretation of the Federal Rules of Civil Procedure or the local rules of the district court”; (8) “involv[es] substantive matters unique to the Federal Circuit,” in which case “we apply to related procedural issues the law of this circuit”; and finally, (9) goes “to our own appellate jurisdiction.”⁵³

In 1999, in *Midwest Industries, Inc. v. Karavan Trailers, Inc.*,⁵⁴ the Federal Circuit summarized its current choice-of-law approach to procedural issues in patent cases.⁵⁵ The court stated that it applies Federal Circuit law to a procedural issue if the issue: (1) “pertain[s] to patent law”;⁵⁶ (2) “bears an essential relationship to matters committed to our exclusive control by statute”;⁵⁷ or (3) “clearly implicates the jurisprudential responsibilities of this court in a field within its exclusive jurisdiction.”⁵⁸

line between procedural issues that pertain to patent law and those that do not can . . . be very difficult to discern.”); Dreyfuss, *supra* note 1, at 40 (“The indeterminacy of the CAFC’s line drawing has led different panels to reach inconsistent conclusions on whether regional law or Federal Circuit law applies to given procedural issues.”); Schaffner, *supra* note 3, at 1181 (“[T]he Federal Circuit still has failed to articulate a consistent [choice-of-law] doctrine.”); Thompson, *supra* note 2, at 582 (describing the Federal Circuit’s choice-of-law rule as “by no means a bright-line rule capable of easy reference”); McEldowney, *supra* note 18, at 1645 (“[T]he Federal Circuit’s choice-of-law doctrine remains elusive and ever-changing.”); Miller, *supra* note 2, at 330 (“[T]he Federal Circuit is not currently living up to its goal of minimizing confusion and conflicts in the federal judicial system and has created increased uncertainty in its choice of law rules.”); *cf.* Gholz, *supra* note 8, at 315 (predicting in 1985 that “categorizing all procedural issues one way or the other is going to require metaphysical decisions of exceptional delicacy”).

⁵² *Biodex Corp. v. Loredan Biomedical, Inc.*, 946 F.2d 850, 856 (Fed. Cir. 1991); *see* Schaffner, *supra* note 3, at 1186 (citing *Biodex*, 946 F.2d at 856); McEldowney, *supra* note 18, at 1666; Miller, *supra* note 2, at 301.

⁵³ McEldowney, *supra* note 18, at 1665 (all alterations except the first in original) (footnotes omitted) (quoting *Biodex*, 946 F.2d at 855-57).

⁵⁴ 175 F.3d 1356 (Fed. Cir. 1999) (en banc in relevant part).

⁵⁵ *Id.* at 1359.

⁵⁶ *Id.* (citing *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574-75 (Fed. Cir. 1984)).

⁵⁷ *Id.* (citing *Biodex*, 946 F.2d at 858-59).

⁵⁸ *Id.* (citing *Gardco Mfg., Inc. v. Herst Lighting Co.*, 820 F.2d 1209, 1212 (Fed. Cir. 1987)). In *Midwest Industries*, the court considered whether to apply its own law or that of the regional circuit to a substantive issue—“whether principles of patent law foreclose . . . claims under section 43(a) of the Lanham Act and under Iowa state trademark law”—rather than a procedural issue. *Id.* at 1361. The court

Although this articulation of the choice-of-law rule may seem on the surface relatively straightforward,⁵⁹ a fundamental problem exists with this test: the Federal Circuit can apply whichever law that it wants to any issue, depending upon whether it defines the issue broadly or narrowly.⁶⁰ Where the court narrowly defines an issue as a patent-related issue, the issue necessarily is sufficiently related to substantive patent law such that Federal Circuit law applies.⁶¹ Conversely, where the court broadly defines the same issue, the issue necessarily is not sufficiently related to substantive patent law, so the court applies regional-circuit law.⁶² For example, in *In re Spalding Sports Worldwide, Inc.*,⁶³ the court defined the issue as “whether the invention record [was] protected by attorney-client privilege” and reasoned that an “invention record relates to an invention submitted for consideration for possible patent protection” and thus “clearly implicates substantive patent law.”⁶⁴ In contrast, in *Fort James Corp. v. Solo Cup Co.*,⁶⁵ the court defined the issue broadly as a “question[] of attorney-client privilege and waiver of attorney-client privilege” and applied regional-circuit law.⁶⁶ Thus, how the court defines the issue can affect whether the court applies its own law or regional-circuit law.

Importantly, regardless of how the Federal Circuit has articulated its choice-of-law rules, the court’s application of these rules has been inconsistent.⁶⁷ These inconsistent applications include both intra- and inter-issue inconsistencies.⁶⁸ Indeed, the court has applied its choice-of-law rules in-

overruled its own precedent on this issue and concluded that it should apply Federal Circuit law. *Midwest Indus.*, 175 F.3d at 1361. The court discussed its choice-of-law rules for procedural matters to support the proposition that the court has “applied [its] law beyond the limits of substantive patent law and into areas in which the disposition of nonpatent-law issues is affected by the special circumstances of the patent law setting in which those issues arise.” *Id.* at 1359-60.

⁵⁹ See Kimberly A. Moore, *Juries, Patent Cases & a Lack of Transparency*, 39 HOUS. L. REV. 779, 800 (2002).

⁶⁰ See McEldowney, *supra* note 18, at 1666 (contending, for example, that defining an issue narrowly as “[r]eview of a jury verdict on the question of patent validity” results in the application of Federal Circuit law, whereas defining the same issue broadly as “review of a jury verdict” would likely result in the application of regional-circuit law) (emphasis omitted).

⁶¹ *See id.*

⁶² *See id.*

⁶³ 203 F.3d 800 (Fed. Cir. 2000).

⁶⁴ *Id.* at 804; *see infra* Part II.C (discussing *Spalding* and the court’s approach to attorney-client privilege issues).

⁶⁵ 412 F.3d 1340 (Fed. Cir. 2005).

⁶⁶ *Id.* at 1346; *see infra* Part II.C (discussing *Fort James* and the court’s approach to attorney-client privilege issues).

⁶⁷ *See* Moore, *supra* note 59, at 800; McEldowney, *supra* note 18, at 1669; Miller, *supra* note 2, at 301.

⁶⁸ An “intra-issue” inconsistency occurs where the court has applied its choice-of-law rules inconsistently within a particular procedural issue, and an “inter-issue” inconsistency occurs where the court applies its choice-of-law rules differently for different procedural issues that the court should seemingly treat the same. An example of an intra-issue inconsistency is the court’s approach to motions to dismiss

consistently within particular procedural issues, as well as inconsistently between different procedural issues that the court should seemingly treat the same. In many cases, the court simply ignores the choice-of-law issue altogether.⁶⁹ Even in areas where the court consistently applies its own law, the court should arguably be applying regional-circuit law under the court's current choice-of-law rules.⁷⁰

The remainder of this Part provides examples of areas where the Federal Circuit has inconsistently applied its existing choice-of-law rules. First, Part II.A discusses intra- and inter-issue inconsistencies in the court's choice-of-law approach to cases⁷¹ involving case-dispositive motions, including motions to dismiss, motions for summary judgment, and motions for judgment as a matter of law ("JMOL"). Second, Part II.B considers choice-of-law inconsistencies relating to the waiver of post-verdict JMOL motions. Third, Part II.C concerns inconsistencies in the court's approach to choice of law relating to attorney-client privilege. Fourth and finally, Part II.D discusses issues to which the Federal Circuit consistently applies its own law but arguably should apply regional-circuit law under its existing choice-of-law rules.

A. *Case-Dispositive Motions*

The Federal Circuit's approach to choice of law for case-dispositive motions has been inconsistent both within particular types of motions and between different types of motions. First, Part II.A.1 discusses intra-issue

under Federal Rule of Civil Procedure 12(b)(6) where the court sometimes applies Federal Circuit law and sometimes applies regional-circuit law with no discernable reason for the difference. *See infra* Part II.A.1. An example of an inter-issue inconsistency is the court's approach to summary judgment motions and motions for judgment as a matter of law ("JMOL") where the court applies Federal Circuit law by default to summary judgment motions but applies regional-circuit law by default to JMOL motions with no discernable reason for the difference. *See infra* Part II.A.4.

⁶⁹ *See* McEldowney, *supra* note 18, at 1645 ("In its choice-of-procedural-law opinions, the court seems anxious to reach the underlying substance of each suit, and is content to dispose of the choice of procedural law casually and quickly.").

⁷⁰ Examples of these types of issues include (1) preliminary injunctions, (2) personal jurisdiction, (3) whether declaratory-judgment jurisdiction exists, (4) "whether particular materials are relevant for purposes of discovery in a patent case," and (5) "whether a patentee is entitled to have the issue of inequitable conduct tried in the jury trial that the patentee has demanded on the issue of infringement." *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359 (Fed. Cir. 1999) (en banc in relevant part); *see infra* Part II.D (discussing these types of issues).

⁷¹ This Article focuses solely on patent cases appealed to the Federal Circuit from district courts. This Article does not consider patent cases appealed from other tribunals such as the Board of Patent Appeals and Interferences of the U.S. Patent and Trademark Office or the Court of International Trade because the Federal Circuit always applies its own law when reviewing the decisions of these tribunals. *See Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1575 (Fed. Cir. 1984), *overruled on other grounds by* *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

inconsistencies in the court's approach to motions to dismiss for failure to state a claim upon which relief can be granted under Federal Rule of Civil Procedure 12(b)(6). Second, Part II.A.2 considers intra-issue inconsistencies in the court's approach to motions for summary judgment. Third, Part II.A.3 discusses intra-issue inconsistencies in the court's approach to post-trial motions for judgment as a matter of law. Fourth and finally, Part II.A.4 analyzes the court's inter-issue inconsistencies in its approach to Rule 12(b)(6) motions to dismiss, JMOL motions, and summary judgment motions.

1. Motions to Dismiss Under Federal Rule of Civil Procedure 12(b)(6)

In the majority of cases, the Federal Circuit applies the law of the regional circuit in patent cases involving a motion to dismiss for failure to state a claim under Rule 12(b)(6) of the Federal Rules of Civil Procedure.⁷² Indeed, the Federal Circuit applied regional-circuit law in 63 percent of the cases examined.⁷³ However, the Federal Circuit applied its own law in 37 percent of these cases.⁷⁴

For example, the Federal Circuit applied regional-circuit law in reviewing a Rule 12(b)(6) motion to dismiss in *McZeal v. Sprint Nextel*

⁷² FED. R. CIV. P. 12(b)(6).

⁷³ Out of thirty Rule 12(b)(6) cases examined, the Federal Circuit applied regional-circuit law in nineteen of those cases. To locate these cases, the following search was performed in the Westlaw Federal Circuit database on September 4, 2007: <"12(b)(6)" "failure to state a claim" & patent>. This search yielded 160 hits. Cases that did not pertain to patent law were eliminated, as were cases in which a motion to dismiss was not directly at issue on appeal. Also eliminated were cases on appeal from courts other than district courts, such as the Court of Claims and the Court of International Trade, because the Federal Circuit always applied its own law when reviewing the decisions of these courts. *See Panduit*, 744 F.2d at 1575.

In one of the cases examined, in support of its statement of the standard of decision for a Rule 12(b)(6) motion, the court cited cases from the regional circuit, the Federal Circuit, and the Supreme Court. *See Bradley v. Chiron Corp.*, 136 F.3d 1317, 1321-22 (Fed. Cir. 1998) (citing *Hishon v. King & Spalding*, 467 U.S. 69, 73 (1984); *Scheuer v. Rhodes*, 416 U.S. 232, 236 (1974); *Epstein v. Washington Energy Co.*, 83 F.3d 1136, 1139 (9th Cir. 1996); *Advanced Cardiovascular Sys., Inc. v. Scimed Life Sys., Inc.*, 988 F.2d 1157, 1160 (Fed. Cir. 1993); *NL Indus., Inc. v. Kaplan*, 792 F.2d 896, 898 (9th Cir. 1986)). This case was included in the total for cases that applied regional-circuit law.

⁷⁴ Out of the thirty cases examined, the Federal Circuit applied its own law in eleven of those cases. *See supra* note 73 (discussing research methodology). In one of these cases, in support of its statement of the standard of decision for a Rule 12(b)(6) motion, the court cited a case of the Court of Customs and Patent Appeals ("CCPA") rather than a Federal Circuit or regional-circuit case. *See Constant v. Advanced Micro-Devices, Inc.*, 848 F.2d 1560, 1565 (Fed. Cir. 1988) (citing *Stanspec Co. v. Am. Chain & Cable Co.*, 531 F.2d 563, 566 (C.C.P.A. 1976)). This case was included in the total for cases that apply Federal Circuit law because CCPA precedent is binding on the Federal Circuit. *See South Corp. v. United States*, 690 F.2d 1368, 1370 (Fed. Cir. 1982) (en banc).

*Corp.*⁷⁵ In *McZeal*, the Federal Circuit first noted that “[a] motion to dismiss for failure to state a claim upon which relief can be granted is a purely procedural question not pertaining to patent law.”⁷⁶ The court then stated that “on review [it would] apply the law of the regional circuit.”⁷⁷ The court cited Fifth Circuit precedent in stating the standard of decision for a Rule 12(b)(6) motion.⁷⁸ This approach seems proper under the Federal Circuit’s existing choice-of-law rules. Indeed, a motion to dismiss is purely a procedural motion, and the Federal Circuit has no reason to apply its own precedent for this issue.

Nevertheless, the Federal Circuit often applies its own law in Rule 12(b)(6) cases. Interestingly, in all the cases examined in which the Federal Circuit applied its own law, the court failed to address the choice-of-law issue altogether.⁷⁹ For example, in *Xechem International, Inc. v. University of Texas M.D. Anderson Cancer Center*,⁸⁰ the court cited two Federal Circuit cases in support of its own statement of the standard of review for a Rule 12(b)(6) motion.⁸¹ Moreover, one of these cases indirectly relied on a Federal Circuit case that cited Sixth Circuit law.⁸² But in *Xechem*, the trial took place in the Fifth Circuit,⁸³ not the Sixth Circuit. Thus, when the court in *Xechem* relied on a case that indirectly relied on Sixth Circuit law, the court introduced yet another inconsistency over and above ignoring its existing choice-of-law rules, under which it should have applied the law of the Fifth Circuit to the issue.

Importantly, the Rule 12(b)(6) cases in which the Federal Circuit applies its own law cannot be reconciled with its existing choice-of-law rules. These cases are not instances where the issue “pertain[s] to patent law,”

⁷⁵ 501 F.3d 1354 (Fed. Cir. 2007).

⁷⁶ *Id.* at 1355-56.

⁷⁷ *Id.* at 1356.

⁷⁸ *Id.* (citing *United States v. Humana Health Plan of Tex., Inc.*, 336 F.3d 375, 379 (5th Cir. 2003); *Copeland v. Wasserstein, Perella & Co.*, 278 F.3d 472, 477 (5th Cir. 2002); *Taylor v. Books A Million, Inc.*, 296 F.3d 376, 378 (5th Cir. 2002)).

⁷⁹ *See, e.g.*, *Xechem Int’l, Inc. v. Univ. of Tex. M.D. Anderson Cancer Ctr.*, 382 F.3d 1324, 1326-27 (Fed. Cir. 2004); *Univ. of W. Va. Board of Trustees v. Vanvoorhies*, 278 F.3d 1288, 1296 (Fed. Cir. 2002).

⁸⁰ 382 F.3d 1324 (Fed. Cir. 2004).

⁸¹ *Id.* (citing *Boyle v. United States*, 200 F.3d 1369, 1371 (Fed. Cir. 2000); *Young v. AGB Corp.*, 152 F.3d 1377, 1379 (Fed. Cir. 1998)).

⁸² *Xechem* cites *Young v. AGB Corp.*, 152 F.3d 1377, 1379 (Fed. Cir. 1998). *Young*, in turn, cites *Abbott Laboratories v. Brennan*, 952 F.2d 1346, 1353 (Fed. Cir. 1991), and *Abbott* cites a Sixth Circuit case, *Howard v. Chesapeake & Ohio Ry. Co.*, 812 F.2d 282, 287 (6th Cir. 1987). Moreover, in *Young*, the court reviewed the dismissal of a claim under Rule 12(b)(6) by the Trademark Trial and Appeal Board (“TTAB”). *Young*, 152 F.3d at 1379. However, *Xechem*, the case that cited *Young*, was a patent case before a district court, not a trademark case before the TTAB. *Xechem*, 382 F.3d at 1326. Thus, the *Xechem* court should have chosen a patent-related case before a district court instead of *Young*.

⁸³ The trial took place in the Southern District of Texas, *Xechem*, 382 F.3d at 1326, which is in the Fifth Circuit, 28 U.S.C. § 41 (2000).

“bears an essential relationship to matters committed to [the Federal Circuit’s] exclusive control by statute,” or “clearly implicates the jurisprudential responsibilities of [the Federal Circuit] in a field within its exclusive jurisdiction.”⁸⁴ Instead, in these cases, the Federal Circuit simply fails to consider the choice-of-law issue. If the court were consistent in following its existing choice-of-law rules, it would always apply regional-circuit law in cases involving the review of a motion to dismiss under Rule 12(b)(6).

Although the Federal Circuit has been somewhat inconsistent on the question of whether to apply its own law or regional-circuit law in reviewing Rule 12(b)(6) motions, this inconsistency likely does not matter much. All circuits apply a *de novo* standard of review for a Rule 12(b)(6) motion to dismiss.⁸⁵ Moreover, the Supreme Court has definitively spoken as to the standard of decision for a Rule 12(b)(6) motion,⁸⁶ so all circuits apply the same standard. Even so, the court’s inconsistency in Rule 12(b)(6) cases may produce confusion, thus falling short of the Federal Circuit’s stated goal of reducing confusion in the federal judicial system.⁸⁷

2. Motions for Summary Judgment

In the great majority of cases, the Federal Circuit applies its own law when reviewing a grant or denial of summary judgment motions relating to patent law. Indeed, the Federal Circuit has applied its own law in 92 percent of the summary judgment cases examined.⁸⁸ In the vast majority of these

⁸⁴ *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359 (Fed. Cir. 1999) (en banc in relevant part).

⁸⁵ See, e.g., *Clark v. Boscher*, 514 F.3d 107, 112 (1st Cir. 2008); *Ruotolo v. City of New York*, 514 F.3d 184, 188 (2d Cir. 2008); *Phillips v. County of Allegheny*, 515 F.3d 224, 230 (3d Cir. 2008); *Schweikert v. Bank of Am., N.A.*, 521 F.3d 285, 288 (4th Cir. 2008); *Audler v. CBC Innovis Inc.*, 519 F.3d 239, 247 (5th Cir. 2008); *J & R Mktg., SEP v. Gen. Motors Corp.*, 519 F.3d 552, 557 (6th Cir. 2008); *Killingsworth v. HSBC Bank Nevada, N.A.*, 507 F.3d 614, 618 (7th Cir. 2007); *Aten v. Scottsdale Ins. Co.*, 511 F.3d 818, 820 (8th Cir. 2008); *Walter v. Drayson*, 538 F.3d 1244, 1247 (9th Cir. 2008); *Pace v. Swerdlow*, 519 F.3d 1067, 1073 (10th Cir. 2008); *Timson v. Sampson*, 518 F.3d 870, 872 (11th Cir. 2008) (per curiam); *King v. Jackson*, 487 F.3d 970, 972 (D.C. Cir. 2007).

⁸⁶ See *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 555-56 (2007); *Conley v. Gibson*, 355 U.S. 41, 45-46 (1957).

⁸⁷ See *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574 (Fed. Cir. 1984) (“The fundamental underpinning for uniformity was Congress’ abhorrence of conflicts and confusion in the judicial system . . . , and it must remain the spirit and guiding principle of this court.”), *overruled on other grounds by Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

⁸⁸ Out of 186 summary judgment cases examined, the Federal Circuit applied its own law in 172 of those cases. To locate these cases, the following search was performed in the Westlaw Federal Circuit database in September 2007: <“summary judgment” /s review>, restricted to cases decided in 2004 or later. This search yielded 1,541 hits. Cases that did not pertain to patent law were eliminated, as were cases in which a motion for summary judgment was not directly at issue in the appeal. Also eliminated were cases on appeal from courts other than district courts, such as the Court of Claims and the Court of

cases, the court does not address the choice-of-law issue.⁸⁹

Nonetheless, inconsistency exists in that the Federal Circuit applied regional-circuit law in the remaining 8 percent of these cases.⁹⁰ Indeed, a line of cases exists in which the court expressly states that regional-circuit law applies to the review of a grant or denial of summary judgment.⁹¹ To support this proposition, all these cases directly or indirectly rely on *Chamberlain Group, Inc. v. Skylink Technologies, Inc.*⁹² Such reliance is misplaced, however. In *Chamberlain*, the Federal Circuit reviewed the grant of a summary judgment on copyright claims only.⁹³ Thus, subsequent patent cases involving summary judgment should not have relied on this case in which summary judgment on solely a non-patent matter was at issue. In addition to this line of cases relying on *Chamberlain*, several other cases exist where the Federal Circuit applied regional-circuit law without explicitly stating a rule, but instead merely cited regional-circuit law.⁹⁴ No justification exists, and the Federal Circuit offers none, for why the court reviews a small but significant number of summary judgment patent cases under the law of the regional circuit while reviewing all others under its own law.

Although the Federal Circuit has been inconsistent on whether to apply its own law or regional-circuit law where reviewing a grant or denial of a summary judgment motion, as with JMOL, this inconsistency likely is insignificant. All circuits apply similar standards in summary judgment cases, as mandated by Supreme Court precedent.⁹⁵ Moreover, the summary

International Trade, because the Federal Circuit always applies its own law when reviewing the decisions of these courts. *See id.* at 1575.

⁸⁹ For example, a typical case in which the Federal Circuit ignored the choice-of-law issue and applied its own law was *Intamin Ltd. v. Magnetar Technologies, Corp.*, 483 F.3d 1328 (Fed. Cir. 2007). In *Intamin*, as in most all summary judgment cases, the Federal Circuit merely cites its own precedent with respect to the summary judgment standard and summary judgment issues and ignores the possibility that regional-circuit law may apply. *Id.* at 1333 (citing *Ethicon Endo-Surgery, Inc. v. U.S. Surgical Corp.*, 149 F.3d 1309, 1315 (Fed. Cir. 1998)).

⁹⁰ Out of 186 summary judgment cases since 2004, the Federal Circuit applied regional-circuit law in fourteen of those cases. *See supra* note 88 (discussing research methodology).

⁹¹ *See Planet Bingo, LLC v. Game Tech. Int'l, Inc.*, 472 F.3d 1338, 1341 (Fed. Cir. 2006); *Nichols Inst. Diagnostics, Inc. v. Scantibodies Clinical Lab., Inc.*, 195 F. App'x 947, 950 (Fed. Cir. 2006); *Aventis Pharma S.A. v. Amphastar Pharms., Inc.*, 176 F. App'x 117, 119 (Fed. Cir. 2006); *IP Innovation, L.L.C. v. Ecollege.com*, 156 F. App'x 317, 319 (Fed. Cir. 2005); *MicroStrategy Inc. v. Business Objects, S.A.*, 429 F.3d 1344, 1348 (Fed. Cir. 2005); *Broadcast Innovation, L.L.C. v. Charter Comms., Inc.*, 420 F.3d 1364, 1366 (Fed. Cir. 2005); *CollegeNet, Inc. v. ApplyYourself, Inc.*, 418 F.3d 1225, 1230 (Fed. Cir. 2005).

⁹² 381 F.3d 1178 (Fed. Cir. 2004).

⁹³ *Id.* at 1181. In *Chamberlain*, the district court dismissed all the patent claims, but the Federal Circuit nonetheless retained jurisdiction. *Id.* at 1190.

⁹⁴ *See, e.g., Cook Biotech, Inc. v. Acell, Inc.*, 460 F.3d 1365, 1372 (Fed. Cir. 2006) (citing *FED. R. CIV. P. 56(c)*); *Scaife v. Cook County*, 446 F.3d 735, 739 (7th Cir. 2006)).

⁹⁵ The trio of Supreme Court cases that have established the standards all federal courts must apply for summary judgment are: (1) *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986); (2) *Anderson v.*

judgment “standard does not differ from circuit to circuit.”⁹⁶ Even so, as with cases involving Rule 12(b)(6) motions, the court’s inconsistent approach to cases involving summary judgment motions may produce confusion, thus falling short of the Federal Circuit’s stated goal of reducing confusion in the federal judicial system.⁹⁷

3. Post-Trial Motions for Judgment as a Matter of Law

The Federal Circuit has been inconsistent in the law that it applies when reviewing grants or denials of post-trial motions for judgments as a matter of law (“JMOL”). The court by default applies the law of the regional circuit for the standards of decision and review associated with motions for JMOL in patent cases.⁹⁸ Indeed, the court applied regional-circuit law in 84 percent of the JMOL patent cases examined.⁹⁹ For example, the Federal Circuit applied regional-circuit law in the JMOL context in *PharmStem Therapeutics, Inc. v. ViaCell, Inc.*¹⁰⁰ In *PharmStem*, the district court, located within the Third Circuit, denied the accused infringer’s motion for JMOL.¹⁰¹ In reviewing the denial of this JMOL motion, the court applied the law of the Third Circuit to both the standard of review and the standard of decision.¹⁰² Significantly, the court applied regional-circuit law even though the underlying issues were substantive patent issues.¹⁰³

However, in a sizable number of cases, the Federal Circuit applies its own law to these same issues and ignores the choice-of-law issue alto-

Liberty Lobby, Inc., 477 U.S. 242 (1986); and (3) *Matsushita Electric Industrial Co. v. Zenith Radio Corp.*, 475 U.S. 574 (1986).

⁹⁶ *Chamberlain*, 381 F.3d at 1191 (citing *Anderson*, 477 U.S. at 247-48).

⁹⁷ See *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574 (Fed. Cir. 1984), *overruled on other grounds by Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

⁹⁸ E.g., *BBA Nonwovens Simpsonville, Inc. v. Superior Nonwovens, LLC*, 303 F.3d 1332, 1336 (Fed. Cir. 2002).

⁹⁹ Out of 128 cases examined involving JMOL, the court applied regional-circuit law in 107 cases. To locate the cases, the following search was performed in the Westlaw Federal Circuit database on September 4, 2007: <JMOL “judgment as a matter of law”>, restricted to cases decided after May 1999. Cases that did not pertain to patent law were eliminated, as were cases in which the grant or denial of the JMOL motion was not directly at issue on appeal. Also eliminated were cases that were on appeal from courts other than district courts.

¹⁰⁰ 491 F.3d 1342 (Fed. Cir. 2007).

¹⁰¹ *Id.* at 1359.

¹⁰² *Id.* at 1360. Interestingly, instead of citing a Third Circuit case in support of the JMOL standards of review and decision, the court cited a Federal Circuit case that had previously decided the JMOL standards under Third Circuit law. *Id.* (citing *Seachange Int’l, Inc. v. C-COR Inc.*, 413 F.3d 1361, 1368 (Fed. Cir. 2005)). In *Seachange*, the Federal Circuit relied on a Third Circuit case for the JMOL standards. *Seachange*, 413 F.3d at 1368 (citing *Rinehimer v. Cemcolift, Inc.*, 292 F.3d 375, 383 (3d Cir. 2002)).

¹⁰³ See *PharmStem*, 491 F.3d at 1360.

gether.¹⁰⁴ Indeed, the Federal Circuit applied its own law in 16 percent of the 128 JMOL cases examined.¹⁰⁵ *Cook Biotech Inc. v. Acell, Inc.*¹⁰⁶ provides an example of this line of cases. In *Cook Biotech*, the district court denied the defendant's motion for JMOL of noninfringement.¹⁰⁷ In addressing the standard of review for JMOL, the court merely stated that it "review[s] the district court's denial of a motion for JMOL de novo," citing only a Federal Circuit case for support.¹⁰⁸ The court then quoted Federal Rule of Civil Procedure 50(a)(1) for the standard of decision for JMOL motions.¹⁰⁹ Significantly, nowhere did the court address the choice-of-law issue or reconcile the abundant precedent for applying regional-circuit law in reviewing a JMOL issue.¹¹⁰

Although the Federal Circuit has been inconsistent on whether to apply its own law or regional-circuit law where reviewing a grant or denial of a JMOL motion, this inconsistency is also of little significance. All circuits apply the same de novo standard of review to the issue.¹¹¹ Moreover, all circuits articulate seemingly identical or at least substantially similar standards of decision for the issue.¹¹² Even so, the court's inconsistency again falls short of its stated goal of reducing confusion in the federal judicial system.¹¹³

¹⁰⁴ See, e.g., *Pods, Inc. v. Porta Star, Inc.*, 484 F.3d 1359, 1366 (Fed. Cir. 2007); *Acumed LLC v. Stryker Corp.*, 483 F.3d 800, 804 (Fed. Cir. 2007); *Cook Biotech Inc. v. Acell, Inc.*, 460 F.3d 1365, 1371 (Fed. Cir. 2006); *Liquid Dynamics Corp. v. Vaughan Co.*, 449 F.3d 1209, 1213 (Fed. Cir. 2006); *Group One, Inc. v. Hallmark Cards, Inc.*, 407 F.3d 1297, 1303 (Fed. Cir. 2005).

¹⁰⁵ Out of 128 cases involving JMOL decided by the Federal Circuit since May 1999, the court applied its own law in twenty-one of those cases. See *supra* note 99 (discussing research methodology).

¹⁰⁶ 460 F.3d 1365 (Fed. Cir. 2006).

¹⁰⁷ *Id.* at 1370-71.

¹⁰⁸ *Id.* at 1372 (citing *Rodime, PLC v. Seagate Tech., Inc.*, 174 F.3d 1294, 1301 (Fed. Cir. 1999)).

¹⁰⁹ *Id.* (quoting FED. R. CIV. P. 50(a)(1)).

¹¹⁰ See *id.*

¹¹¹ See, e.g., *Muñiz-Olivari v. Stiefel Labs., Inc.*, 496 F.3d 29, 35 (1st Cir. 2007); *Zellner v. Summerlin*, 494 F.3d 344, 370-71 (2d Cir. 2007); *Monteiro v. City of Elizabeth*, 436 F.3d 397, 404 (3d Cir. 2006); *Forrest v. Transit Mgmt. of Charlotte, Inc.*, 245 F. App'x 255, 257 (4th Cir. 2007); *Arismendez v. Nightingale Home Health Care, Inc.*, 493 F.3d 602, 606 (5th Cir. 2007); *James v. Metro. Gov't of Nashville*, 243 F. App'x 74, 78 (6th Cir. 2007); *Campbell v. Miller*, 499 F.3d 711, 716 (7th Cir. 2007); *HOK Sport, Inc. v. FC Des Moines, L.C.*, 495 F.3d 927, 934 (8th Cir. 2007); *Edgerly v. City and County of San Francisco*, 495 F.3d 645, 651 (9th Cir. 2007); *Evans v. Fogarty*, 241 F. App'x 542, 549 (10th Cir. 2007); *Optimum Techs., Inc. v. Henkel Consumer Adhesives, Inc.*, 496 F.3d 1231, 1241 (11th Cir. 2007); *Muldrow ex rel. Estate of Muldrow v. Re-Direct, Inc.*, 493 F.3d 160, 165 (D.C. Cir. 2007); *Pods, Inc. v. Porta Star, Inc.*, 484 F.3d 1359, 1366 (Fed. Cir. 2007) (applying Federal Circuit law).

¹¹² See *supra* note 111 for a list of cases from all circuits detailing the standard of decision for JMOL motions. The Third Circuit standard is representative: "We . . . view[] the evidence in the light most favorable to the prevailing party. Judgment as a matter of law is only appropriate if there is no legally sufficient evidentiary basis for a reasonable jury to find for [the moving] party on that issue." *Monteiro*, 436 F.3d at 404 (citations and internal quotation marks omitted).

¹¹³ See *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574 (Fed. Cir. 1984), *overruled on other grounds* by *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

4. Inter-Issue Inconsistencies in the Federal Circuit's Approach to Rule 12(b)(6) Motions to Dismiss, JMOL Motions, and Summary Judgment Motions

In addition to the intra-issue inconsistencies in the Federal Circuit's approach to reviewing Rule 12(b)(6), summary judgment, and JMOL cases,¹¹⁴ inter-issue inconsistencies also exist in the court's approach to these three types of cases. For Rule 12(b)(6) and JMOL motions, the default rule is for the court to apply regional-circuit law,¹¹⁵ whereas for summary judgment motions, the court almost always applies its own law.¹¹⁶

Surprisingly, these inter-issue inconsistencies exist even though these three procedural devices are very similar. They are all potentially case dispositive. Moreover, the standards of decision and review for these three procedural devices are not issues that "pertain to patent law," "bear[] an essential relationship to matters committed to [the Federal Circuit's] exclusive control by statute," or "clearly implicate[] the jurisprudential responsibilities of [the Federal Circuit] in a field within its exclusive jurisdiction."¹¹⁷ Thus, under the Federal Circuit's existing choice-of-law rules, the court should treat all three of these motions the same and apply regional-circuit law.

Additionally, motions for JMOL and summary judgment are particularly similar, and no adequate justification exists for why the Federal Circuit's choice-of-law approach varies between these two issues. Indeed, the Supreme Court has recognized the similarity between post-verdict JMOL and summary judgment motions, observing that the summary judgment standard "mirrors the standard for [post-verdict JMOL motions] under Federal Rule of Civil Procedure 50(a), which is that the trial judge must direct a verdict if, under the governing law, there can be but one reasonable conclusion as to the verdict."¹¹⁸ Because of this similarity between motions for

¹¹⁴ See *supra* Parts II.A.1-3 (discussing intra-issue inconsistencies in the Federal Circuit's approach to the choice-of-law issue for case-dispositive motions).

¹¹⁵ See, e.g., *McZeal v. Sprint Nextel Corp.*, 501 F.3d 1354, 1355-56 (Fed. Cir. 2007) ("A motion to dismiss for failure to state a claim upon which relief can be granted is a purely procedural question not pertaining to patent law. Thus, on review we apply the law of the regional circuit."); *BBA Nonwovens Simpsonville, Inc. v. Superior Nonwovens, LLC*, 303 F.3d 1332, 1336 (Fed. Cir. 2002) ("The denial of a motion for judgment as a matter of law is a procedural issue not unique to patent law. Thus we apply the law of the regional circuit to the Rule 50(b) issue as we do with the JMOL issue."); see also *supra* notes 73 and 99 and accompanying text (discussing the methods used to make this determination).

¹¹⁶ See *supra* note 88 and accompanying text.

¹¹⁷ *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359-60 (Fed. Cir. 1999) (en banc in relevant part).

¹¹⁸ *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 250 (1986). Indeed, the "genuine issue" standard for summary judgment is "very close" to the "reasonable jury" standard for post-verdict JMOL. *Id.* at 251. The Court further noted:

JMOL and summary judgment, the Federal Circuit should apply the same choice-of-law approach to both. Indeed, no good reason exists for the Federal Circuit to treat the choice-of-law issue differently for Rule 12(b)(6), JMOL, or summary judgment motions.

B. *Waiver of Post-Verdict JMOL Motion*

An additional example of an area in which the Federal Circuit has been inconsistent in its choice-of-law approach is in reviewing whether a party has waived the right to make a post-verdict JMOL motion on an issue by failing to sufficiently raise the issue in a pre-verdict JMOL.¹¹⁹ The Federal Circuit's inconsistency in this area is even more pronounced than within the different case-dispositive motions.¹²⁰ Indeed, of the twelve cases reviewing this issue since 1996, the court has applied its own law in 50 percent of these cases while applying regional-circuit law in the other 50 percent of these cases.¹²¹ Surprisingly, the court applied its own law in 50 percent of the cases even though the purported default rule for review of this issue is to apply the law of the regional circuit.¹²²

For example, in *Zodiac Pool Care, Inc. v. Hoffinger Industries, Inc.*,¹²³ the Federal Circuit applied regional-circuit law to the issue of JMOL waiver. In *Zodiac Pool*, the district court "rejected [the patentee's] argument that [the accused infringer] waived its right to JMOL on the issue of [doctrine-of-equivalents] infringement by not renewing its motion at the close of tri-

The primary difference between the two motions is procedural; summary judgment motions are usually made before trial and decided on documentary evidence, while directed verdict motions are made at trial and decided on the evidence that has been admitted. In essence, though, the inquiry under each is the same: whether the evidence presents a sufficient disagreement to require submission to a jury or whether it is so one-sided that one party must prevail as a matter of law.

Id. at 251-52 (citation and internal quotation marks omitted).

¹¹⁹ Under Rule 50 of the Federal Rules of Civil Procedure, to preserve a post-verdict JMOL motion, a party must first move for JMOL at the close of all evidence before the case is submitted to the jury. FED. R. CIV. P. 50(b); *see, e.g., Duro-Last, Inc. v. Custom Seal, Inc.*, 321 F.3d 1098, 1106 (Fed. Cir. 2003). If a party fails to sufficiently move for JMOL with respect to a particular issue, then that party waives its right to assert a post-verdict JMOL motion with respect to that issue. *Duro-Last*, 321 F.3d at 1105-06.

¹²⁰ *See supra* Part II.A (discussing inconsistencies in the Federal Circuit's approach to Rule 12(b)(6), summary judgment, and post-verdict JMOL motions).

¹²¹ Out of twelve cases examined involving JMOL waivers decided by the Federal Circuit, the court applied its own law in six cases and applied regional-circuit law in six cases. To locate the cases, the following search was performed in the Westlaw Federal Circuit database: <(JMOL "judgment as a matter of law") /p waive!>, restricted to cases decided in 1996 or later. Cases that did not pertain to patent law were eliminated, as were cases on appeal from courts other than district courts.

¹²² *E.g., Duro-Last*, 321 F.3d at 1106 ("[F]or questions relating to Rule 50 motions generally, this court has applied regional circuit law.").

¹²³ 206 F.3d 1408 (Fed. Cir. 2000).

al.”¹²⁴ The court applied Eleventh Circuit law to this issue, stating: “We must respect the precedent of the Eleventh Circuit on this issue, because this court defers to the law of the regional circuits on matters of procedural law.”¹²⁵ The court then described the Eleventh Circuit’s approach to the JMOL waiver argument: “The Eleventh Circuit has taken a liberal view of what constitutes a motion for a directed verdict.”¹²⁶ Under this standard, the court then concluded that the accused infringer had sufficiently raised the issue of infringement under the doctrine of equivalents in its post-verdict motion for JMOL.¹²⁷ Thus, the Federal Circuit affirmed the district court’s decision on this issue.¹²⁸

On the other hand, the Federal Circuit applied its own law to a JMOL-waiver issue in *Duro-Last, Inc. v. Custom Seal, Inc.*¹²⁹ In *Duro-Last*, the accused infringer argued that the patentee “waived its right to file a post-verdict JMOL motion on obviousness because its pre-verdict JMOL motion raised only the issues of inequitable conduct and the on-sale bar.”¹³⁰ The Federal Circuit began by noting that the parties disagreed over whether Federal Circuit or regional-circuit law should apply to this issue.¹³¹ The court then observed that by default, the court should apply regional-circuit law when reviewing the issue of JMOL waiver.¹³² However, the court reasoned that the instant case should be an exception to this general rule.¹³³ In doing so, the court defined the issue narrowly: “This case . . . involves the specific question of whether a pre-verdict JMOL motion directed to inequitable conduct and the on-sale bar is sufficient to preserve the right to a post-verdict JMOL motion directed to obviousness.”¹³⁴ Thus, the court concluded that it should apply its own law to the issue.¹³⁵ The court then held that the patentee’s pre-verdict JMOL motion on inequitable conduct and the on-sale bar was not sufficient to preserve a post-trial JMOL motion on obviousness.¹³⁶

¹²⁴ *Id.* at 1416.

¹²⁵ *Id.*

¹²⁶ *Id.* (internal quotation marks omitted) (quoting *Nat’l Indus., Inc. v. Sharon Steel Corp.*, 781 F.2d 1545, 1549 (11th Cir. 1986)).

¹²⁷ *Id.* at 1415-17.

¹²⁸ *Id.* at 1417.

¹²⁹ 321 F.3d 1098 (Fed. Cir. 2003).

¹³⁰ *Id.* at 1106.

¹³¹ *Id.*

¹³² *Id.*

¹³³ *Id.*

¹³⁴ *Id.*

¹³⁵ *Duro-Last*, 321 F.3d at 1106.

¹³⁶ *Id.* at 1106-08.

Notably, in most of the cases in which the Federal Circuit applied its own law, the court ignored the choice-of-law issue altogether.¹³⁷ For example, in *Southwest Software, Inc. v. Harlequin Inc.*,¹³⁸ the court considered whether the accused infringers had properly preserved their right to a post-verdict JMOL motion.¹³⁹ Without even mentioning the choice-of-law question, the court merely recited that “[f]ailing to properly move for JMOL at the close of the evidence precludes a challenge to the sufficiency of the evidence underlying fact findings,” citing a Federal Circuit case for support.¹⁴⁰ The court then went on to hold that the accused infringers waived their right to a post-verdict JMOL motion by not properly advancing a pre-verdict JMOL motion.¹⁴¹ Interestingly, however, when later reviewing the denial of the patentee’s motion for a new trial, the court did consider the choice-of-law issue and decided to apply regional-circuit law to that issue.¹⁴² No apparent reason exists for why the court ignored the choice-of-law question for one issue and addressed it for the other issue.

The choice-of-law issue can be especially important for the issue of post-verdict JMOL waiver because different circuits have different standards for determining this issue. Indeed, some circuits apply a liberal standard, while other circuits apply a strict standard.¹⁴³ Thus, the choice-of-law decision in a case involving this issue could easily be outcome determinative.

Interestingly, a recent Supreme Court case involved the Federal Circuit’s choice-of-law rules concerning an issue related to the waiver of a post-verdict JMOL motion. In *Unitherm Food Systems, Inc. v. Swift-Eckrich, Inc.*,¹⁴⁴ the Court addressed the issue of whether a party has waived the right to challenge the sufficiency of the evidence where the party failed to file a post-verdict motion for JMOL, but where the party did file a JMOL motion under Rule 50(a) of the Federal Rules of Civil Procedure before the

¹³⁷ See, e.g., *Union Carbide Chems. & Plastics Tech. Corp. v. Shell Oil Co.*, 308 F.3d 1167, 1177 (Fed. Cir. 2002); *S. Clay Prods., Inc. v. United Catalysts, Inc.*, 43 F. App’x 379, 382 (Fed. Cir. 2000); *Sw. Software, Inc. v. Harlequin Inc.*, 226 F.3d 1280, 1289 (Fed. Cir. 2000).

¹³⁸ 226 F.3d 1280 (Fed. Cir. 2000).

¹³⁹ *Id.* at 1290.

¹⁴⁰ *Id.* (citing *Young Dental Mfg. Co. v. Q3 Special Prods., Inc.*, 112 F.3d 1137, 1141 (Fed. Cir. 1997)).

¹⁴¹ *Id.*

¹⁴² *Id.*

¹⁴³ Compare, e.g., *Logan v. Burgers Ozark County Cured Hams Inc.*, 263 F.3d 447, 457 (5th Cir. 2001) (“Instead of insisting that parties strictly comply with this procedural requisite, we approach[] this requirement with a liberal spirit.” (alteration in original) (internal quotation marks omitted)), with *Farley Transp. Co. v. Santa Fe Trail Transp. Co.*, 786 F.2d 1342, 1346 (9th Cir. 1985) (“A strict application of Rule 50(b) obviates the necessity for a court to engage in a difficult and subjective case-by-case determination of whether a failure to renew a motion for directed verdict at the close of all the evidence has resulted in such prejudice to the opposing party under the particular circumstances of that case.”).

¹⁴⁴ 546 U.S. 394 (2006).

case was submitted to the jury.¹⁴⁵ Significantly, the Court noted that “in the instant case [the Federal Circuit] was bound to apply the law of the Tenth Circuit”¹⁴⁶ rather than the law of the Federal Circuit. Under Federal Circuit law, “failure to present the district court with a post-verdict motion precludes appellate review of sufficiency of the evidence.”¹⁴⁷ In contrast, under Tenth Circuit law, a party could challenge the sufficiency of the evidence on appeal without filing a post-verdict motion for JMOL “as long as that party filed a Rule 50(a) motion prior to submission of the case to the jury.”¹⁴⁸ The Supreme Court reversed the Tenth Circuit’s rule as applied by the Federal Circuit.¹⁴⁹ This case seems to be the only time that “the Supreme Court has indirectly considered a regional circuit’s rule of law through the Federal Circuit’s application of that rule under choice of law principles.”¹⁵⁰

C. Attorney-Client Privilege

The Federal Circuit sometimes applies regional-circuit law and sometimes applies Federal Circuit law to attorney-client-privilege issues in patent cases. For the issue of attorney-client privilege,¹⁵¹ the Federal Circuit applies regional-circuit law by default.¹⁵² The court applied regional-circuit law in 64 percent of the patent cases involving attorney-client privilege examined,¹⁵³ whereas it applied Federal Circuit law in only 27 percent of these cases.¹⁵⁴ But the court seems to have consistently followed its own

¹⁴⁵ *Id.* at 398-99.

¹⁴⁶ *Id.* at 398.

¹⁴⁷ *Id.* (citing *Biodex Corp. v. Loredan Biomedical, Inc.*, 946 F.2d 850, 862 (Fed. Cir. 1991)).

¹⁴⁸ *Id.* at 399.

¹⁴⁹ *Id.*

¹⁵⁰ *Miller*, *supra* note 2, at 319. Arguably, the Supreme Court in *Unitherm* “appeared to endorse [the Federal Circuit’s choice-of-law] approach.” *Id.* at 318. However, the Supreme Court only briefly mentioned the choice-of-law issue while reviewing the rule that the Federal Circuit had actually applied in the case. *See Unitherm*, 546 U.S. at 398-99. The Supreme Court did not analyze or comment on whether the Federal Circuit’s choice-of-law approach was either correct or incorrect. *See id.* Thus, no conclusion can be drawn from this brief mention as to whether the Supreme Court endorsed the Federal Circuit’s choice-of-law rules.

¹⁵¹ This issue includes the applicability of the attorney-client privilege, the waiver of privilege, and the scope of such a waiver.

¹⁵² *E.g.*, *Fort James Corp. v. Solo Cup Co.*, 412 F.3d 1340, 1346 (Fed. Cir. 2005).

¹⁵³ Out of eleven patent cases involving attorney-client privilege decided by the Federal Circuit since January 2000, the court applied regional-circuit law in seven of those cases. To locate the cases, the following search was performed in the Westlaw Federal Circuit database on February 2, 2008: <privilege! & patent!>, restricted to cases decided since January 2000. Cases that did not involve patents were eliminated. Also eliminated were cases that involved other types of privilege besides attorney-client privilege, as well as results that were otherwise spurious.

¹⁵⁴ Out of eleven patent cases involving attorney-client privilege decided by the Federal Circuit since January 2000, the court applied its own law in three of those cases. *See supra* note 153 (discussing

choice-of-law rules for the most part.¹⁵⁵ Indeed, where the privilege issue truly does not involve substantive patent law, the court normally applies regional-circuit law.¹⁵⁶ Conversely, where the privilege issue does involve substantive patent law, the court applies its own law,¹⁵⁷ as it should under its existing choice-of-law rules.

For example, the Federal Circuit properly applied regional-circuit law according to its current choice-of-law rules in *GFI, Inc. v. Franklin Corp.* and *In re Pioneer Hi-Bred International, Inc.*¹⁵⁸ In both of these cases, the privilege issue had nothing to do with substantive patent law.¹⁵⁹ Thus, in both of these cases, the Federal Circuit decided to apply regional-circuit law.¹⁶⁰

Conversely, in *In re Spalding Sports Worldwide, Inc.*, the Federal Circuit applied its own law involving attorney-client privilege in a patent case. In *Spalding*, the accused infringer charged the patentee with inequitable conduct in procuring the patent-in-suit.¹⁶¹ The accused infringer sought to compel the disclosure of the invention record for the patented invention.¹⁶² The court characterized an “invention record” as follows:

research methodology). Additionally, in one unpublished case, the court applied a mixture of authority without discussing the choice-of-law issue. See *In re Unlin Decor N.V.*, 153 F. App'x 726, 728 (Fed. Cir. 2005) (citing a Tenth Circuit case and a U.S. Supreme Court case in support of its privilege law even though the case was out of the Eastern District of Wisconsin, which is in the Seventh Circuit). This case was not counted in either category.

¹⁵⁵ *But cf.* *Chimie v. PPG Indus., Inc.*, 218 F.R.D. 416, 419 n.4 (D. Del. 2003) (“There is some question of whether the scope of waiver effected by reliance on an advice-of-counsel defense is a matter to be governed by Federal Circuit or regional circuit case law.”). In *Chimie*, the district court concluded that “[t]he better reasoned approach recognizes that questions of waiver are not unique to patent law and are a matter of either state law, as to claims and defenses that arise under state law, or precedent from the regional circuits.” *Id.*

¹⁵⁶ *E.g.*, *GFI, Inc. v. Franklin Corp.*, 265 F.3d 1268, 1272 (Fed. Cir. 2001).

¹⁵⁷ See *In re Seagate Tech., LLC*, 497 F.3d 1360, 1367-68 (Fed. Cir. 2007) (en banc); *In re EchoStar Commc'ns Corp.*, 448 F.3d 1294, 1298 (Fed. Cir. 2006); *In re Spalding Sports Worldwide, Inc.*, 203 F.3d 800, 803-04 (Fed. Cir. 2000).

¹⁵⁸ 238 F.3d 1370 (Fed. Cir. 2001).

¹⁵⁹ At issue in *GFI* was the accused infringer's claim that the patentee waived attorney-client privilege on particular information “when its patent attorney testified in an earlier trial about the privileged information and when it failed to timely submit detailed privilege logs in accordance with local rules.” *GFI*, 265 F.3d at 1273 (citation omitted). And in *Pioneer Hi-Bred*, the allegedly privileged information involved “information relating to analysis of the financial benefits stemming from [a] merger, including tax consequences, and information concerning an analysis that was performed regarding the effect of the merger on [the accused infringer's] licenses.” *Pioneer Hi-Bred*, 238 F.3d at 1372. Neither of these issues related to substantive patent law.

¹⁶⁰ *GFI*, 265 F.3d at 1272; *Pioneer Hi-Bred*, 238 F.3d at 1374 n.3 (“[N]o substantive patent law [was] implicated in the privilege issues that [were] before [the court].”).

¹⁶¹ *Spalding*, 203 F.3d at 802.

¹⁶² *Id.*

Invention records are standard forms generally used by corporations as a means for inventors to disclose to the corporation's patent attorneys that an invention has been made and to initiate patent action. They are usually short documents containing space for such information as names of inventors, description and scope of invention, closest prior art, first date of conception and disclosure to others, dates of publication, etc.¹⁶³

The district court ordered the patentee to disclose the invention record, and the patentee sought a writ of mandamus from the Federal Circuit to prevent disclosure of the invention record on the grounds that it was protected by attorney-client privilege.¹⁶⁴

The Federal Circuit decided to apply its own law to the issue of "whether the invention record [was] protected by attorney-client privilege."¹⁶⁵ The court reasoned that "a determination of the applicability of the attorney-client privilege to [the] invention record clearly implicate[d], at the very least, the substantive patent issue of inequitable conduct."¹⁶⁶ The court also noted that the issue was "unique to patent law because the invention record relates to an invention submitted for consideration for possible patent protection" and thus "clearly implicate[d] substantive patent law."¹⁶⁷ Therefore, the court applied its own law.¹⁶⁸

Although the Federal Circuit has been relatively consistent in applying its existing choice-of-law rules to attorney-client-privilege issues in patent cases, there have been exceptions. For example, in *Fort James Corp. v. Solo Cup Co.*, the court applied regional-circuit law,¹⁶⁹ even though the situation was similar to that in *Spalding*, where the court applied its own law.¹⁷⁰ In *Fort James*, the accused infringer argued that the patent-in-suit was invalid for violation of the on-sale bar of 35 U.S.C. § 102(b).¹⁷¹ Additionally, the accused infringer charged the patentee with inequitable conduct in procuring the patent-in-suit for failing to disclose information relating to the on-sale bar.¹⁷²

The procedural issue in *Fort James* concerned whether an "invention disclosure statement" discussing the claimed invention remained protected by attorney-client privilege.¹⁷³ In considering whether a document remained protected by the attorney-client privilege, the court applied the law of the

¹⁶³ *Id.* at 802 n.2.

¹⁶⁴ *Id.* at 803.

¹⁶⁵ *Id.* at 804.

¹⁶⁶ *Id.* at 803-04.

¹⁶⁷ *Spalding*, 203 F.3d at 804.

¹⁶⁸ *Id.*

¹⁶⁹ *Fort James Corp. v. Solo Cup Co.*, 412 F.3d 1340, 1346 (Fed. Cir. 2005).

¹⁷⁰ *Spalding*, 203 F.3d at 803-04.

¹⁷¹ *Fort James*, 412 F.3d at 1343.

¹⁷² *Id.*

¹⁷³ *Id.* at 1349. This invention disclosure statement was authored by one of the inventors named on the patent-in-suit and sent to the patentee's in-house counsel. *Id.* at 1344.

regional circuit.¹⁷⁴ Without giving its reasoning, the court merely stated: “This court applies the law of the regional circuit, here the Seventh Circuit, with respect to questions of attorney-client privilege and waiver of attorney-client privilege.”¹⁷⁵ The court went on to cite Seventh Circuit cases in analyzing the district court’s “errors.”¹⁷⁶

The court’s decision to apply regional-circuit law in *Fort James* seemingly clashes with its decision to apply Federal Circuit law in *Spalding*. The “invention disclosure statement” at issue in *Fort James*¹⁷⁷ seems very similar to the “invention record” at issue in *Spalding*.¹⁷⁸ The “invention disclosure statement” in *Fort James* was authored by one of the named inventors and sent to in-house counsel;¹⁷⁹ similarly, the “invention record” in *Spalding* “was submitted by the inventors of the [patent-in-suit] to [the patentee’s] corporate legal department.”¹⁸⁰ Additionally, the “invention disclosure statement” in *Fort James* was a “communication[] concerning the inventor’s recognition and development of the invention,”¹⁸¹ which described technical aspects of the claimed invention,¹⁸² presumably to allow the patentee’s in-house counsel to determine whether the invention was patentable. Likewise, the “invention record” in *Spalding* revealed technical information about the invention¹⁸³ and “was prepared and submitted primarily for the purpose of obtaining legal advice on patentability and legal services in preparing a patent application.”¹⁸⁴ Thus, the subject matter at issue in both these cases was essentially the same.

Moreover, just as in *Spalding*, the court in *Fort James* had to consider substantive patent law in deciding the privilege issue. In *Spalding*, the court applied its own law because the privilege issue “implicate[d] . . . the substantive patent issue of inequitable conduct,”¹⁸⁵ and because “the invention record relate[d] to an invention submitted for consideration for possible patent protection,” which “clearly implicate[d] substantive patent law.”¹⁸⁶ Likewise, in *Fort James*, the privilege issue required the court to delve into

¹⁷⁴ See *id.* at 1346, 1350.

¹⁷⁵ *Id.* at 1346.

¹⁷⁶ *Fort James*, 412 F.3d at 1350. In addition, the court cited cases from the Federal, First, Sixth, Seventh, and Ninth Circuits, and from the Eastern District of Illinois and the Southern District of Indiana, in discussing the general principles of attorney-client privilege and its waiver. *Id.* at 1349-50.

¹⁷⁷ *Id.* at 1344.

¹⁷⁸ *In re Spalding Sports Worldwide, Inc.*, 203 F.3d 800, 802 & n.2 (Fed. Cir. 2000).

¹⁷⁹ *Fort James*, 412 F.3d at 1344.

¹⁸⁰ *Spalding*, 203 F.3d at 805 (emphasis omitted).

¹⁸¹ *Fort James*, 412 F.3d at 1350-51 (characterizing the subject matter waived by the patentee).

¹⁸² *Id.* at 1344 (describing the document at issue as an “[i]nvention disclosure statement discussing invention of pressed paperboard plates to maximize plate rigidity” (alteration in original)).

¹⁸³ See *Spalding*, 203 F.3d at 802 & n.2.

¹⁸⁴ *Id.* at 806.

¹⁸⁵ *Id.* at 803-04.

¹⁸⁶ *Id.* at 804.

substantive issues regarding the on-sale-bar requirement of 35 U.S.C. § 102(b).¹⁸⁷ Moreover, inequitable conduct was at issue in *Fort James*,¹⁸⁸ just as it was in *Spalding*.¹⁸⁹ Despite the similarities between the factual and legal issues involved in *Fort James* and *Spalding*, the Federal Circuit applied regional-circuit law in *Fort James* and seemingly ignored the court's earlier decision in *Spalding* to apply its own law.

D. *Issues to Which the Federal Circuit Consistently Applies Its Own Law but Arguably Should Apply Regional-Circuit Law Under Its Existing Choice-of-Law Rules*

The Federal Circuit consistently applies its own law to several procedural issues when they arise in patent cases. However, even though these cases may be internally consistent, the Federal Circuit's decision to apply its own law to these issues is not necessarily consistent with the court's existing choice-of-law rules for procedural matters in patent cases. These issues where the Federal Circuit consistently applies its own law include (1) preliminary injunctions, (2) personal jurisdiction, (3) whether declaratory-judgment jurisdiction exists, (4) "whether particular materials are relevant for purposes of discovery in a patent case," and (5) "whether a patentee is entitled to have the issue of inequitable conduct tried in the jury trial that the patentee has demanded on the issue of infringement."¹⁹⁰ As examples of these types of issues where the Federal Circuit consistently applies its own law but arguably should apply regional-circuit law, Part II.D.1 discusses preliminary injunctions, and Part II.D.2 discusses personal jurisdiction.

1. Preliminary Injunctions

The Federal Circuit consistently applies its own law when determining whether a patentee is entitled to a preliminary injunction.¹⁹¹ Early in the life of the Federal Circuit in *Hybritech Inc. v. Abbott Laboratories*,¹⁹² the court

¹⁸⁷ *Fort James*, 412 F.3d at 1350-51 (defining the "subject matter of the waiver as the application of the bars to patentability found in 35 U.S.C. § 102(b)"). The court discussed the Supreme Court's "test for determining whether § 102(b) bars patentability" from *Pfaff. Id.* at 1350 (citing *Pfaff v. Wells Elecs. Inc.*, 525 U.S. 55, 67 (1998)).

¹⁸⁸ *Id.* at 1343.

¹⁸⁹ *Spalding*, 203 F.3d at 802.

¹⁹⁰ *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359 (Fed. Cir. 1999) (en banc in relevant part).

¹⁹¹ *Id.*

¹⁹² 849 F.2d 1446 (Fed. Cir. 1988).

decided to apply its own law in preliminary-injunction cases.¹⁹³ The court reasoned:

We note that confusion exists on the issue whether . . . Federal Circuit law or regional circuit law provides the standards governing the issuance of an injunction pursuant to § 283. Because the issuance of an injunction pursuant to this section enjoins “the violation of any right secured by a [sic] patent, on such terms as the court deems reasonable,” a preliminary injunction of this type, although a procedural matter, involves substantive matters unique to patent law and, therefore, is governed by the law of this court.¹⁹⁴

Since *Hybritech*, the court has only rarely discussed the choice-of-law issue with respect to preliminary injunctions.¹⁹⁵ Instead, since *Hybritech*, the court has consistently applied its own law in patent cases without discussing the choice-of-law issue.¹⁹⁶

Applying its own law, the Federal Circuit follows the “traditional four-part test” to determine whether a party is entitled to a preliminary injunction.¹⁹⁷ Under this test, “the moving party must demonstrate [1] a reasonable likelihood of success on the merits, [2] irreparable harm in the absence of a preliminary injunction, [3] a balance of hardships tipping in its favor, and [4] the injunction’s favorable impact on the public interest.”¹⁹⁸ Under the Federal Circuit’s test, “[t]hese factors, taken individually, are not dispositive; rather, the district court must weigh and measure each factor against the other factors and against the form and magnitude of the relief requested.”¹⁹⁹ However, to succeed, the movant must establish “both of the first two factors, i.e., likelihood of success on the merits and irreparable harm.”²⁰⁰

Under the court’s existing choice-of-law rules, although the Federal Circuit consistently applies its own law to the preliminary injunction issue, the Federal Circuit could just as easily have decided to apply regional-

¹⁹³ *Id.* at 1451 n.12.

¹⁹⁴ *Id.* (citing and quoting 35 U.S.C. § 283 (2006)).

¹⁹⁵ See *Mylan Pharm., Inc. v. Thompson*, 268 F.3d 1323, 1329 n.1 (Fed. Cir. 2001) (discussing the choice-of-law issue); *Mikohn Gaming Corp. v. Acres Gaming, Inc.*, 165 F.3d 891, 894 & n.3 (Fed. Cir. 1998) (same); *Chrysler Motors Corp. v. Auto Body Panels of Ohio, Inc.*, 908 F.2d 951, 952-53 (Fed. Cir. 1990) (same).

¹⁹⁶ *E.g.*, *E.I. du Pont de Nemours & Co. v. MacDermid Printing Solutions, L.L.C.*, 525 F.3d 1353, 1358 (Fed. Cir. 2008); *Nat’l Steel Car, Ltd. v. Canadian Pac. Ry.*, 357 F.3d 1319, 1324-25 (Fed. Cir. 2004); *Helifix Ltd. v. Blok-Lok, Ltd.*, 208 F.3d 1339, 1350-51 (Fed. Cir. 2000); *Bell & Howell Document Mgmt. Prods. Co. v. Altek Sys.*, 132 F.3d 701, 704-05 (Fed. Cir. 1997); *Conair Group, Inc. v. Automatik Apparate-Maschinenbau GmbH*, 944 F.2d 862, 864-65 (Fed. Cir. 1991).

¹⁹⁷ See Morton Denlow, *The Motion for a Preliminary Injunction: Time for a Uniform Federal Standard*, 22 REV. LITIG. 495, 515 (2003).

¹⁹⁸ *Nat’l Steel Car*, 357 F.3d at 1324-25.

¹⁹⁹ *Amazon.com, Inc. v. Barnesandnoble.com, Inc.*, 239 F.3d 1343, 1350 (Fed. Cir. 2001) (quoting *Hybritech, Inc. v. Abbott Labs.*, 849 F.2d 1446, 1451 (Fed. Cir. 1988)).

²⁰⁰ *Id.* (emphasis omitted).

circuit law to the issue. Indeed, the Federal Circuit acknowledges that a preliminary injunction is “a matter of procedural law not unique to the exclusive jurisdiction of the Federal Circuit.”²⁰¹ Moreover, the *procedural* aspects of the preliminary-injunction determination do not involve “substantive matters unique to patent law.”²⁰² Thus, under its existing choice-of-law rules, the Federal Circuit could have decided to apply regional-circuit law to the standard of decision for preliminary injunctions.

It is true that there are *substantive* aspects of the preliminary-injunction factors that are unique to patent law. However, because these aspects are actually applications of substantive law, the Federal Circuit could apply its own law to the substantive aspects while applying regional-circuit law to the procedural aspects of the preliminary-injunction determination. For example, the Federal Circuit could still apply its own law to the substantive issues involved in determining the movant’s showing of likelihood of success on the merits.²⁰³ But the remainder of the preliminary injunction factors do not necessarily involve “substantive matters unique to patent law.”²⁰⁴ Determining irreparable harm,²⁰⁵ the balance of hardships,

²⁰¹ *Mikohn Gaming Corp. v. Acres Gaming, Inc.*, 165 F.3d 891, 894 (Fed. Cir. 1998); *accord* *Chrysler Motors Corp. v. Auto Body Panels of Ohio, Inc.*, 908 F.2d 951, 952 (Fed. Cir. 1990) (“We treat the application of the [preliminary injunction] factors—that is, the determination of whether a preliminary injunction should be granted or denied—as a procedural issue.”).

²⁰² *Hybritech*, 849 F.2d at 1451 n.12.

²⁰³ Under Federal Circuit law, to establish a likelihood of success on the merits, the patentee must show that (1) the patentee will likely prove that the accused infringer infringes the claims at issue, and (2) the patentee “will likely withstand [the accused infringer’s] challenges to the validity and enforceability of the . . . patent.” *Amazon.com*, 239 F.3d at 1350.

²⁰⁴ *Hybritech*, 849 F.2d at 1451 n.12.

²⁰⁵ The irreparable-harm factor can involve substantive patent law. Under current Federal Circuit law, a special rule for patent cases exists: a presumption of irreparable harm arises where the patentee clearly shows a likelihood of success on the merits. *See Amazon.com*, 239 F.3d at 1350. In creating this presumption, the court reasoned “that because the very nature of a patent provides the right to exclude, infringement of a valid patent inherently causes irreparable harm.” *Pfizer, Inc. v. Teva Pharms. USA, Inc.*, 429 F.3d 1364, 1381 (Fed. Cir. 2005). The accused infringer can rebut this presumption by showings “such as a finding that future infringement is no longer likely, that the patentee is willing to forgo its right to exclude by licensing the patent, or that the patentee had delayed in bringing suit.” *Id.* Even though the determination of irreparable harm may involve substantive patent law, under its existing choice-of-law rules, the court could nonetheless have decided to apply regional-circuit law to the irreparable-harm standard, in conjunction with applying Federal Circuit law to the substantive patent law issues involved, such as the rebuttable presumption of irreparable harm.

However, a 2006 Supreme Court decision concerning permanent injunctions may eliminate the special rule in preliminary injunctions regarding the presumption of irreparable harm in patent cases. *eBay Inc. v. Mercexchange, L.L.C.*, 547 U.S. 388, 393-94 (2006); *see* John M. Griem, Jr. & Anna Brook, “eBay” and Preliminary Injunctions: Whether Presumption of Irreparable Harm Applies Is Pending Issue, NAT’L L.J., May 12, 2008, at S1; Edward D. Manzo, *Injunctions in Patent Cases after eBay*, 7 J. MARSHALL REV. INTELL. PROP. L. 44, 49 (2008); Caroline A.H. Sayers, *Patents: Will eBay’s Rationale Be Applied to Preliminary Injunctions?*, 19 NO. 1 PRAC. LITIGATOR 45, 47 (2008). Before *eBay*, the Federal Circuit had a special rule for permanent injunctions in patent cases: “that a permanent

and the public interest²⁰⁶ may involve factual matters related to patent law, but they do not necessarily involve substantive patent law. As Professor Schaffner has suggested, “[a]lthough the factual setting may require the court to apply the legal standard to facts which may be unique to the patent context,” the Federal Circuit should normally apply the regional-circuit legal standard to these facts.²⁰⁷

Importantly, the choice of whether to apply regional-circuit or Federal Circuit law in a motion for a preliminary injunction may be outcome determinative. Unlike some procedural issues for which the circuit courts of appeals apply uniform standards, the circuits do not apply a uniform standard for granting or denying a motion for a preliminary injunction.²⁰⁸ Most circuits use “some version of the traditional four-part test” to determine whether to grant a motion for a preliminary injunction.²⁰⁹ However, other circuits use “a two-part test that focuses on a balancing of the different factors.”²¹⁰ One circuit even “uses a sliding-scale method” involving “a five-part test.”²¹¹ Even among the majority of circuits that use the traditional

injunction [would] issue once infringement and validity have been adjudged” except “in rare instances . . . to protect the public interest.” *eBay*, 547 U.S. at 393-94 (omission in original). In *eBay*, the Supreme Court held that the Federal Circuit could not apply a special rule for patent cases. *Id.* at 394. Instead, the Court held that the Federal Circuit must apply “the traditional four-factor framework that governs the award of injunctive relief.” *Id.*

Although a permanent injunction, not a preliminary injunction, was at issue in *eBay*, the rationale of *eBay* may nonetheless apply to the presumption of irreparable harm for preliminary injunctions. Griem & Brook, *supra* note, at S1; Sayers, *supra* note, at 47. Neither the Federal Circuit nor the Supreme Court have yet decided this issue. Manzo, *supra* note, at 49. If *eBay* does apply to preliminary injunctions, then the Federal Circuit’s special rule for patent cases will no longer exist. See Sayers, *supra* note, at 47 (“The consequence of *eBay* is that a plaintiff may now have to demonstrate actual irreparable injury . . .”). Without this special rule, the determination of irreparable harm would not involve “substantive matters unique to patent law.” *Hybritech*, 849 F.2d at 1451 n.12. Therefore, the Federal Circuit could easily apply regional-circuit law to the issue of irreparable harm if it decided to do so.

²⁰⁶ Like irreparable harm, the determination of the injunction’s effect on the public interest also may involve substantive issues of patent law. In deciding the public-interest factor, the Federal Circuit has held that it is in the public interest to enforce a valid patent. See, e.g., *Abbott Labs. v. Andrx Pharms., Inc.*, 452 F.3d 1331, 1348 (Fed. Cir. 2006). But even though the determination of the public-interest factor may involve substantive patent law, under the Federal Circuit’s existing choice-of-law rules, the court could nonetheless have decided to apply regional-circuit law to the public-interest standard, in conjunction with applying Federal Circuit law to the substantive patent law issues involved.

²⁰⁷ Schaffner, *supra* note 3, at 1203-04. However, Professor Schaffner nonetheless argues that the Federal Circuit should apply its own law to preliminary injunction determinations because such determinations “affect the patent-related primary activities of the parties.” *Id.* at 1204; see also *infra* Part III.C (discussing Professor Schaffner’s proposal for reforming the Federal Circuit’s choice-of-law doctrine).

²⁰⁸ Denlow, *supra* note 197, at 507.

²⁰⁹ *Id.* at 515. The circuits that use “some version of the traditional four-part test” are the First, Third, Fourth, Fifth, Sixth, Eighth, Tenth, Eleventh, D.C., and Federal Circuits. *Id.*

²¹⁰ *Id.* These circuits that use the two-part test include the Second and Ninth Circuits. *Id.*

²¹¹ *Id.* The Seventh Circuit uses the five-part test. Denlow, *supra* note 197, at 515.

four-part test, the circuits apply this test differently.²¹² For example, all circuits generally consider success on the merits as part of the test.²¹³ “However, [the circuits decide] this issue . . . in many different ways, ranging among a ‘probability’ of success, a ‘likelihood’ of success, a ‘possibility’ of success, ‘raising a serious question’ going to the merits, and a ‘better than negligible’ chance of success.”²¹⁴ Thus, the requirements of a particular regional circuit’s standard might be quite different than the requirements of the Federal Circuit’s standard.²¹⁵ Therefore, the choice-of-law issue may be outcome determinative for motions for preliminary injunction.

2. Personal Jurisdiction

Another issue to which the Federal Circuit consistently applies its own law is whether personal jurisdiction comports with the constitutional requirements of due process.²¹⁶ The court first decided to apply its own law to this issue in *Beverly Hills Fan Co. v. Royal Sovereign Corp.*²¹⁷ in 1994. The personal jurisdiction issue in *Beverly Hills Fan* involved the stream-of-commerce theory.²¹⁸ The patentee argued that even though personal jurisdiction is a procedural issue not unique to patent law, the court should nonetheless apply its own law because the issue “is intimately related to substantive patent law.”²¹⁹ The court agreed.²²⁰ The court first recognized that it would normally apply regional-circuit law “to procedural matters that are not unique to patent law.”²²¹ But the court reasoned that “[a]lthough in one sense the due process issue in this case is procedural, it is a critical determinant of whether and in what forum a patentee can seek redress for

²¹² *Id.* at 508; *see also* *Chrysler Motors Corp. v. Auto Body Panels of Ohio, Inc.*, 908 F.2d 951, 952 (Fed. Cir. 1990) (“That courts generally agree on these four factors has not led to uniform agreement on how the factors are applied in a given case.”).

²¹³ Denlow, *supra* note 197, at 516.

²¹⁴ *Id.*

²¹⁵ *See id.* (“This [variation] can greatly influence the outcome of the [motion for preliminary injunction] because a movant will obviously have an easier time proving a ‘better than negligible’ chance of prevailing on the merits than a ‘probability’ of success.”).

²¹⁶ *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359 (Fed. Cir. 1999) (en banc in relevant part); *see also, e.g.*, *Graphic Controls Corp. v. Utah Med. Prods., Inc.*, 149 F.3d 1382, 1385 (Fed. Cir. 1998). The Federal Circuit applies its own law only “[w]ith regard to the federal constitutional due process analysis of the defendant’s contacts with the forum state in patent cases.” *Graphic Controls*, 149 F.3d at 1385. However, the court applies state and regional-circuit law “in interpreting the meaning of state long-arm statutes.” *Id.* at 1386.

²¹⁷ 21 F.3d 1558, 1565 (Fed. Cir. 1994).

²¹⁸ *Id.* at 1564.

²¹⁹ *Id.*

²²⁰ *Id.*

²²¹ *Id.*

infringement of its rights.”²²² The court also justified applying its own law to the issue of personal jurisdiction by noting that there was a lack of uniformity in the application of the stream-of-commerce theory by other circuits, as well as within the Fourth Circuit.²²³ Finally, the court concluded:

The creation and application of a uniform body of Federal Circuit law in this area would clearly promote judicial efficiency, would be consistent with our mandate, and would not create undue conflict and confusion at the district court level. Under circumstances such as these, we have held we owe no special deference to regional circuit law.²²⁴

Thus, for these reasons, the Federal Circuit applied its own law to the issue of personal jurisdiction.

Although the Federal Circuit consistently applies its own law to the issue of personal jurisdiction, the court’s decision under its existing choice-of-law rules to apply its own law is arguably incorrect.²²⁵ Instead of applying its own law, the Federal Circuit should arguably apply regional-circuit law to this issue²²⁶ under its existing choice-of-law rules for three reasons. First, the court never explains how the fact that personal jurisdiction in a patent case “is a critical determinant of whether and in what forum a patentee can seek redress for infringement of its rights”²²⁷ warrants the application of Federal Circuit law. Indeed, personal jurisdiction in any type of case is always “a critical determinant of whether and in what forum a [plaintiff] can seek redress for”²²⁸ whatever rights it seeks to vindicate. Thus, this determination is not unique to patent law.²²⁹ Furthermore, the Federal Circuit could apply this logic and apply its own law to any issue it wanted. For example, the court could reason that a Rule 12(b)(6) motion to dismiss for failure to state a claim “is a critical determinant of whether . . . a patentee

²²² *Id.*

²²³ *Beverly Hills Fan*, 21 F.3d at 1564.

²²⁴ *Id.* at 1564-65.

²²⁵ See Schaffner, *supra* note 3, at 1202; cf. McEldowney, *supra* note 18, at 1675 (“According to this [comment’s] proposal, . . . personal jurisdiction . . . should be resolved under regional circuit precedent.”).

²²⁶ Even if the Federal Circuit were to apply the regional circuits’ standards for personal jurisdiction and the regional circuits’ interpretations of Supreme Court precedent, the Federal Circuit could nonetheless apply its own law to sub-issues involving substantive patent law. For example, the court could apply its own law to the issue of whether particular activity amounted to a sale or offer to sell under 35 U.S.C. § 271(a). As another example, the court could apply its own law in determining that “for purposes of long-arm jurisdiction, the location of an infringing sale would qualify as the situs of injury in a patent suit.” Schaffner, *supra* note 3, at 1203.

²²⁷ *Beverly Hills Fan*, 21 F.3d at 1564.

²²⁸ *Id.*

²²⁹ Schaffner, *supra* note 3, at 1202 (“[I]t is unclear how the development of the stream of commerce theory implicates the patent laws or would benefit from the expertise of the Federal Circuit’s independent treatment.”).

can seek redress for infringement of its rights”²³⁰ and thus apply its own law to the issue. However, the court’s default rule is to apply regional-circuit law to Rule 12(b)(6) motions to dismiss.²³¹ Thus, the court’s reasoning in *Beverly Hills Fan* is inconsistent with its existing choice-of-law rules.

Second, the court’s reasoning that the lack of uniformity throughout the circuits justifies the application of Federal Circuit law is irrelevant in the determination the court is supposed to make under its existing choice-of-law rules. Under these rules, the court is supposed to determine whether the issue is sufficiently tied to substantive patent law to justify applying Federal Circuit law instead of regional-circuit law.²³² The court’s rules do not ask the court to take into account whether there is uniformity among the circuits. Indeed, where there is complete uniformity on an issue, the choice-of-law determination will not even matter because the Federal Circuit’s law will necessarily be the same as that of the pertinent regional circuit. Only where there is at least some lack of uniformity does it matter which circuit’s law the court applies. Thus, again the court’s reasoning does not fit with its existing choice-of-law rules.

Third and finally, the court incorrectly justified its decision to apply its own law to the personal jurisdiction issue in *Beverly Hills Fan* by reasoning that there was no “apparent uniformity on the issue within the Fourth Circuit.”²³³ In a case where there is no uniformity within the relevant regional circuit, under the Federal Circuit’s existing choice-of-law rules, the court must “predict how that regional circuit would have decided the issue in light of the decisions of that circuit’s various district courts, public policy, etc.”²³⁴ The court is not supposed to throw up its hands and apply its own law. Indeed, as Professor Schaffner has observed:

The court appears to suggest that the more confusion [that] exists among the regional circuits on an issue, the more likely the Federal Circuit is to intercede and add its own interpretation to the existing confusion. However, it is unclear how the development of the stream of com-

²³⁰ *Beverly Hills Fan*, 21 F.3d at 1564.

²³¹ *E.g.*, *McZeal v. Sprint Nextel Corp.*, 501 F.3d 1354, 1355-56 (Fed. Cir. 2007); *see also supra* Part II.A.1 (discussing the court’s treatment of the choice-of-law issue for Rule 12(b)(6) motions).

²³² *See Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359 (Fed. Cir. 1999) (en banc in relevant part).

²³³ *Beverly Hills Fan*, 21 F.3d at 1564. The court cited two Fourth Circuit cases in which the Fourth Circuit treated the stream-of-commerce theory differently. *Id.* at 1564 n.12 (citing *Chung v. NANA Dev. Corp.*, 783 F.2d 1124 (4th Cir. 1986); *Fed. Ins. Co. v. Lake Shore, Inc.*, 886 F.2d 654, 659 (4th Cir. 1989)). The court further observed that “district court cases . . . indicate that various iterations of the theory are very much alive in the Fourth Circuit.” *Id.* (citing *Abel v. Montgomery Ward Co.*, 798 F. Supp. 322, 324 (E.D. Va. 1992); *Weight v. Kawasaki Motors Corp.*, 604 F. Supp. 968 (E.D. Va. 1985)).

²³⁴ *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574-75 (Fed. Cir. 1984), *overruled on other grounds* by *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

merce theory implicates the patent laws or would benefit from the expertise of the Federal Circuit's independent treatment.²³⁵

Thus, once more the court's reasoning in *Beverly Hills Fan* does not fit with its existing choice-of-law rules.

The issue of personal jurisdiction is an issue where the choice between applying regional-circuit law and Federal Circuit law could be outcome determinative. It is true that the Supreme Court has provided binding rules to the courts of appeals concerning the basic contours of when personal jurisdiction comports with constitutional due process requirements.²³⁶ However, differences in the treatment of sub-issues may still exist. For example, in *Beverly Hills Fan*, the Federal Circuit noted that although the stream-of-commerce theory was widely accepted by federal courts, "the theory comes in several variants[, and t]he regional circuits have not reached a uniform approach to this jurisdictional issue."²³⁷ Another example occurred in *Schwanger v. Munchkin, Inc.*²³⁸ In *Schwanger*, the Federal Circuit reversed the district court's grant of a motion to dismiss for lack of personal jurisdiction²³⁹ where the district court had "erroneously applied Sixth Circuit law"²⁴⁰ instead of Federal Circuit law. When the court applied its own law to the due process analysis, it reached the opposite result as the district court had reached applying regional-circuit law.²⁴¹ Thus, in *Schwanger*, the choice-of-law issue was outcome determinative.²⁴²

²³⁵ Schaffner, *supra* note 3, at 1202.

²³⁶ Important Supreme Court personal jurisdiction cases include, for example: (1) *International Shoe Co. v. Washington*, 326 U.S. 310 (1945); (2) *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286 (1980); (3) *Burger King Corp. v. Rudzewicz*, 471 U.S. 462 (1985); and (4) *Asahi Metal Industry Co. v. Superior Court of California, Solano County*, 480 U.S. 102 (1987).

²³⁷ *Beverly Hills Fan*, 21 F.3d at 1564.

²³⁸ No. 99-1049, 1999 WL 820449 (Fed. Cir. Oct. 7, 1999) (per curiam) (unpublished).

²³⁹ *Id.* at *1.

²⁴⁰ *Id.* at *5. The court explained:

Regarding the second, federal due process inquiry of the personal jurisdiction analysis, we have repeatedly stated that Federal Circuit law applies rather than that of the regional circuit. The district court in this case erroneously applied Sixth Circuit law in its federal due process analysis, resulting in an alternate ground of dismissal for lack of personal jurisdiction.

Id. (citations omitted).

²⁴¹ *Id.* at *5-*6.

²⁴² *But cf.* *HollyAnne Corp. v. TFT, Inc.*, 199 F.3d 1304, 1305-10 (Fed. Cir. 1999) (reaching the same result with respect to personal jurisdiction under Federal Circuit law as the district court did when it improperly applied Eighth Circuit law).

III. DIFFERENT APPROACHES AND POSSIBLE IMPROVEMENT TO THE FEDERAL CIRCUIT'S CHOICE-OF-LAW RULES FOR PROCEDURAL ISSUES IN PATENT CASES

This Part evaluates several possible approaches that the Federal Circuit could take regarding its choice-of-law rules for procedural issues in patent cases. Part III.A begins by discussing the important interests, needs, and goals of the institutions and players involved in patent litigation—namely, the Federal Circuit, the district courts, and litigants. The remainder of this Part then evaluates several different approaches to the choice-of-law issue by considering how each approach furthers or retards these institutional interests. Part III.B evaluates the Federal Circuit's current choice-of-law rules. Next, Part III.C discusses previous suggestions by other commentators for improving the Federal Circuit's choice-of-law rules. Part III.D then considers the possibility of applying regional-circuit law to all procedural issues in patent cases. Finally, Part III.E analyzes the possibility of applying Federal Circuit law to all procedural issues in patent cases.

A. *Institutional Interests of the Federal Circuit, District Courts, and Litigants*

To evaluate the possible ways to improve the Federal Circuit's approach to the choice-of-law issue, it is important to consider the interests, needs, and goals of the institutions and players involved.²⁴³ Weighing these sometimes competing interests, needs, and goals will help to determine the merits of possible proposals for reform. Therefore, this Part discusses the institutional interests of (1) the Federal Circuit, (2) the district courts, and (3) litigants with respect to the choice of procedural law in patent cases.

1. Federal Circuit

The Federal Circuit has a set of institutional interests, needs, and goals with respect to the choice-of-law issue. These interests, needs, and goals include (1) promoting uniformity and (2) predictability while (3) reducing forum shopping, (4) avoiding overspecialization, and (5) using independent judgment to decide cases correctly.

²⁴³ See Schaffner, *supra* note 3, at 1208-09 (discussing the interests of the Federal Circuit and the regional courts); McEldowney, *supra* note 18, at 1653-63 (discussing the interests of "potential litigants, courts, and the effectiveness and quality of the law itself"); cf. Note, *Securing Uniformity in National Law: A Proposal for National Stare Decisis in the Courts of Appeals*, 87 YALE L.J. 1219, 1240-46 (1978) (balancing the institutional needs of the Supreme Court and the courts of appeals to analyze a proposal for implementing national stare decisis in the courts of appeals).

The first institutional interest of the Federal Circuit is for uniformity,²⁴⁴ which promotes predictability²⁴⁵ and reduces undesirable forum shopping.²⁴⁶ When Congress established the Federal Circuit with the FCIA, one of the important reasons was to bring national uniformity to patent law.²⁴⁷ Indeed, the FCIA gives the Federal Circuit “a mandate to achieve uniformity in patent matters.”²⁴⁸ Such uniformity is important because it can “promote a more efficient market [and] create a predictable and stable legal regime.”²⁴⁹ Uniformity is desirable not only in substantive law, but also in procedural law, as well.²⁵⁰ Therefore, the Federal Circuit must strive to promote uniformity in both substantive and procedural law.

Uniformity leads to predictability, and increasing predictability is another important interest of the Federal Circuit.²⁵¹ Indeed, “[i]f all patent

²⁴⁴ See Joseph F. Weis, Jr., *Disconnecting the Overloaded Circuits: A Plug for a Unified Court of Appeals*, 39 ST. LOUIS U. L.J. 455, 458 (1995) (“As has frequently been said, the importance of uniformity in the application of law is an important part of our jurisprudence.”).

²⁴⁵ See Schaffner, *supra* note 3, at 1178 (“Providing uniform guidance would . . . create a predictable and stable legal regime . . .”). Although uniformity in the choice-of-law context would promote predictability, uniformity in general does not always promote predictability. For example, in the area of claim construction, the Federal Circuit uniformly reviews claim construction with no deference to the district court; however, claim construction is nonetheless rife with unpredictability. See, e.g., *Amgen, Inc. v. Hoechst Marion Roussel, Inc.*, 469 F.3d 1039, 1040 (Fed. Cir. 2006) (Michel, C.J., and Rader, J., dissenting from denial of petition for rehearing en banc) (identifying “a lack of predictability about appellate outcomes” under the existing claim construction regime).

²⁴⁶ See Richard L. Marcus, *Conflicts Among Circuits and Transfers Within the Federal Judicial System*, 93 YALE L.J. 677, 677 (1984) (“[T]he existence of conflicts among the circuits gives plaintiffs a significant incentive for forum shopping.”).

²⁴⁷ See S. REP. NO. 97-275, at 2-6 (1981), reprinted in 1982 U.S.C.C.A.N. 11, 12-16; see also *Holmes Group, Inc. v. Vornado Air Circulation Sys., Inc.*, 535 U.S. 826, 838 (2002) (Stevens, J., concurring in part and concurring in the judgment) (describing the Federal Circuit as a “specialized court that was created, in part, to promote uniformity in the development of [patent] law”); *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359-60 (Fed. Cir. 1999) (en banc in relevant part) (“[O]ne of the principal purposes for the creation of this court [was] to promote uniformity in the law with regard to subject matter within our exclusive appellate jurisdiction.”); Dreyfuss, *supra* note 1, at 2-4; Schaffner, *supra* note 3, at 1178.

²⁴⁸ *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574 (Fed. Cir. 1984), overruled on other grounds by *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

²⁴⁹ Schaffner, *supra* note 3, at 1178.

²⁵⁰ See *id.* at 1208 (“[T]he regional courts, as well as the Federal Circuit, have an interest in maintaining uniform rules which guide their administration.”); see also *Biodex Corp. v. Loredan Biomedical, Inc.*, 946 F.2d 850, 857 (Fed. Cir. 1991) (referring “to the core policy of not creating unnecessary conflicts and confusion in procedural matters”); *Panduit*, 744 F.2d at 1574 (“Since our mandate is to eliminate conflicts and uncertainties in the area of patent law, we must not, in doing so, create unnecessary conflicts and confusion in procedural matters.”).

²⁵¹ See Craig Allen Nard & John F. Duffy, *Rethinking Patent Law’s Uniformity Principle*, 101 NW. U. L. REV. 1619, 1620 (2007) (referring to the Federal Circuit’s “need for predictable rules capable of curtailing litigation costs”); *McEldowney*, *supra* note 18, at 1655 (“From the perspective of administering patent appeals in the Federal Circuit, the court should opt for relatively bright-line rulings that will serve as guideposts for future cases.”).

cases were resolved predictably and uniformly by the district courts, there would be . . . a reduction in litigation because parties would be more likely to settle if they could accurately forecast outcome.”²⁵² In general, unpredictable rules lead to increased transaction costs.²⁵³ Importantly, even if conflicting interpretations of a legal rule do not actually occur, “the mere possibility of conflict . . . breeds uncertainty, which leaves ‘individuals . . . in doubt as to what rule will be applied to their transactions.’”²⁵⁴ Thus, “[i]t is usually more important that a rule of law be settled, than it be settled right.”²⁵⁵ Therefore, the Federal Circuit has an important interest in achieving predictability.

Where uniformity and predictability exist, the opportunity for forum shopping is reduced. And reducing forum shopping is another important interest of the Federal Circuit.²⁵⁶ In spite of the Federal Circuit’s interest in reducing forum shopping, the practice remains common in patent litigation today.²⁵⁷ The traditional “evils of forum shopping” include “(1) the notion that forum shopping reflects inequity in the legal system and (2) the premise that forum shopping is inefficient.”²⁵⁸ Although forum shopping may traditionally be thought of as springing from differences in substantive law,²⁵⁹ differences in procedural law may also give rise to forum shopping in patent litigation.²⁶⁰ Indeed, patent litigation counsel seek not only the

²⁵² Kimberly A. Moore, *Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation?*, 79 N.C. L. REV. 889, 893 (2001).

²⁵³ *Id.* at 928 n.134.

²⁵⁴ Note, *supra* note 243, at 1219 n.2 (second omission in original) (quoting U.S. COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM, STRUCTURE AND INTERNAL PROCEDURES: RECOMMENDATIONS FOR CHANGE 14 (1975)).

²⁵⁵ *Di Santo v. Pennsylvania*, 273 U.S. 34, 42 (1927) (Brandeis, J., dissenting), *abrogated by* *People of Cal. v. Thompson*, 313 U.S. 109 (1941); *accord* *McEldowney*, *supra* note 18, at 1662-63 (“For procedural questions, at least to some extent, the ‘right’ answer may be no more than the predictable answer.”); *see* *Dreyfuss*, *supra* note 1, at 8 (“Bright line rules, objective criteria, and minimal exceptions may not make for accurate adjudication (the ‘right’ result in every case), but they create a body of law that is easier to apply uniformly and to predict with certainty.”); *Weis*, *supra* note 244, at 462 & n.34 (quoting *Di Santo*, 273 U.S. at 42).

²⁵⁶ *Beverly Hills Fan Co. v. Royal Sovereign Corp.*, 21 F.3d 1558, 1565 n.13 (Fed. Cir. 1994).

²⁵⁷ *Moore*, *supra* note 252, at 892; *Nard & Duffy*, *supra* 251, at 1668.

²⁵⁸ *Moore*, *supra* note 252, at 924 (footnote omitted).

²⁵⁹ *See* *McEldowney*, *supra* note 18, at 1661.

²⁶⁰ *Beverly Hills Fan*, 21 F.3d at 1565 n.13; *Gholz*, *supra* note 8, at 314; *Moore*, *supra* note 252, at 892; *see* Edward K. Cheng, *Independent Judicial Research in the Daubert Age*, 56 DUKE L.J. 1263, 1311-12 (2007) (“[U]niform procedures are often supported because they discourage forum shopping”); *cf.* Carol Rice Andrews, *The Personal Jurisdiction Problem Overlooked in the National Debate About “Class Action Fairness”*, 58 SMU L. REV. 1313, 1324 (2005) (“[S]tates may apply their own procedural law—and thereby provide forum shopping incentives to class counsel”); Glenn S. Koppel, *Toward a New Federalism in State Civil Justice: Developing a Uniform Code of State Civil Procedure Through a Collaborative Rule-Making Process*, 58 VAND. L. REV. 1167, 1191-92 (2005) (contending that differences in state procedural rules lead to forum shopping between states); Emil Petrossian, *In Pursuit of the Perfect Forum: Transnational Forum Shopping in the United States and*

forum with the most favorable substantive law, but also the forum having “the most favorable law as to the possibly outcome-determinative non-patent procedural . . . issues.”²⁶¹ Therefore, the Federal Circuit has a strong interest in reducing opportunities for forum shopping with respect to both substantive and procedural issues.

Another interest of the Federal Circuit is avoiding overspecialization.²⁶² When it created the Federal Circuit with the FCIA, Congress sought to ensure that the court would not be overspecialized.²⁶³ Overspecialization presents several potential problems.²⁶⁴ One such potential problem is that a specialized court may be more susceptible to “the threat of ‘capture’ by narrow interest groups.”²⁶⁵ Another potential problem is that a specialized court “may act to aggrandize the importance of [its] jurisdiction.”²⁶⁶ Moreover, “judges in [a] specialized court[] might develop ‘tunnel vision’ and lose the generalist perspective necessary to integrate their specialty into the legal mainstream.”²⁶⁷ Yet another concern is that “judges on [a] specialized court[] might not exercise appropriate judicial restraint and might substitute their judgment for that of trial judges.”²⁶⁸ Finally, judges on an overspecialized court “may develop an institutional bias.”²⁶⁹ Thus, the Federal Circuit has an interest in avoiding overspecialization.

England, 40 LOY. L.A. L. REV. 1257, 1261 (2007) (“Like substantive law, disuniformity in procedural laws [between nations] engenders forum shopping.”). *But see* McEldowney, *supra* note 18, at 1661 (contending without support that “common perceptions hold that variations in procedural law are far less likely to induce forum shopping than variations in substantive law”).

²⁶¹ Gholz, *supra* note 8, at 314.

²⁶² *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422, 1436-37 (Fed. Cir. 1984) (en banc), *overruled on other grounds* by *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1067 (Fed. Cir. 1998); *cf.* Charles R. Haworth, *Circuit Splitting and the “New” National Court of Appeals: Can the Mouse Roar?*, 30 SW. L.J. 839, 858 (1976) (contending that in judicial reform, “[s]pecialization of courts and judges must be avoided”); Maurice Rosenberg, *Planned Flexibility to Meet Changing Needs of the Federal Appellate System*, 59 CORNELL L. REV. 576, 588 (1974) (“An appellate judge should not be assigned duties so narrow that they will repel the ablest judges, or foster a narrow, slit-viewed approach.”).

²⁶³ S. REP. NO. 97-275, at 6 (1981) (“The Court of Appeals for the Federal Circuit will not be a ‘specialized court,’ as that term is normally used. The court’s jurisdiction will not be limited to one type of case, or even to two or three types of cases. Rather, it will have a varied docket spanning a broad range of legal issues and types of cases.”), *reprinted in* 1982 U.S.C.C.A.N. 11, 16; H.R. REP. NO. 97-312, at 19 (1981).

²⁶⁴ *See* Nard & Duffy, *supra* note 251, at 1628 n.40.

²⁶⁵ *Id.* at 1628; *accord* Adams, *supra* note 2, at 59. “Capture theory posits that special interest groups may be able to influence and control a specialized institution . . . more easily than a generalized entity.” Nard & Duffy, *supra* note 251, at 1628.

²⁶⁶ Nard & Duffy, *supra* note 251, at 1628.

²⁶⁷ Adams, *supra* note 2, at 59.

²⁶⁸ *Id.*

²⁶⁹ *Holmes Group, Inc. v. Vornado Air Circulation Sys., Inc.*, 535 U.S. 826, 839 (2002) (Stevens, J., concurring) (“[O]ccasional decisions by courts with broader jurisdiction will provide an antidote to the risk that the specialized court may develop an institutional bias.”).

The Federal Circuit also has an interest in using its independent judgment to decide cases correctly. Federal courts of appeals normally have the duty, the power, and the ability to decide issues of federal law correctly, and they normally do not accept another circuit's interpretation of a federal rule of law without independently addressing the merits of that rule.²⁷⁰ Thus, "the true federal interest is having the court which decides the case apply its own interpretation of federal law."²⁷¹ "This principle follows naturally from the structure of appellate review established by the Evarts Act,"²⁷² the act that established the federal courts of appeals in 1891.²⁷³ The Evarts Act required each circuit to use its independent judgment in interpreting federal law rather than completely defer to the precedent of other circuits.²⁷⁴ Although this structure produces conflicts in interpretation between the circuits, these conflicts can be beneficial "because the views of the different courts are thought to percolate, leading to soundly fashioned legal rules."²⁷⁵

The Federal Circuit shares this interest in applying its independent judgment along with the courts of appeals for the regional circuits. Although the Federal Circuit was created in 1982 under the FCIA,²⁷⁶ rather than in 1891 under the Evarts Act, the FCIA establishes the Federal Circuit

²⁷⁰ *In re Korean Air Lines Disaster*, 829 F.2d 1171, 1175 (D.C. Cir. 1987) (quoting Marcus, *supra* note 246, at 702) ("There is no room in the federal system of review for rote acceptance of the decision of a court outside the chain of direct review. If a federal court simply accepts the interpretation of another circuit without [independently] addressing the merits, it is not doing its job." (alteration in original)); Thompson, *supra* note 2, at 574 ("[I]t is the presumption that each circuit court of appeals is equally competent to interpret federal law that actually supports the rule of no deference."); see Schaffner, *supra* note 3, at 1205 (citing and quoting Marcus, *supra* note 246, at 702); see also Friendly, *supra* note 4, at 413 ("One circuit will follow another or others when it is persuaded, has no strong views either way, or considers immediate nationwide uniformity to be unusually important, but generally not when it firmly believes the other circuit or circuits have been wrong."). Professor Marcus calls this the "principle of competence" because although federal courts may not be competent to decide issues of state law, federal courts are "presumptively competent to decide" issues of federal law. Marcus, *supra* note 246, at 702.

²⁷¹ Marcus, *supra* note 246, at 696; see also Schaffner, *supra* note 3, at 1205 (citing and quoting Marcus, *supra* note 246, at 696).

²⁷² Marcus, *supra* note 246, at 702-03.

²⁷³ *Id.* at 686 (citing The Circuit Court of Appeals Act of 1891, ch. 517, 26 Stat. 826).

²⁷⁴ Dreyfuss, *supra* note 1, at 45; Rochelle Cooper Dreyfuss, *The Federal Circuit: A Continuing Experiment in Specialization*, 54 CASE W. RES. L. REV. 769, 789 (2004); Marcus, *supra* note 246, at 686; Kimberly Jade Norwood, *Double Forum Shopping and the Extension of Ferens to Federal Claims that Borrow State Limitation Periods*, 44 EMORY L.J. 501, 540 (1995); Schaffner, *supra* note 3, at 1195; Thompson, *supra* note 2, at 564-65.

²⁷⁵ Dreyfuss, *supra* note 1, at 45; accord Schaffner, *supra* note 3, at 1196-97; Thompson, *supra* note 2, at 567.

²⁷⁶ *E.g.*, Dreyfuss, *supra* note 1, at 3 (citing Pub. L. No. 97-164, 96 Stat. 25); Petherbridge & Wagner, *supra* note 1, at 2056-57 (citing same).

as a coordinate court to the regional courts of appeals.²⁷⁷ Because it is on equal footing with the regional circuits, the Federal Circuit must also have a duty to use its independent judgment in interpreting federal rules of law. Indeed, courts and commentators have described this duty as belonging to all courts.²⁷⁸ Therefore, like all courts, the Federal Circuit has an interest in using its independent judgment in interpreting federal law to arrive at what it perceives as the correct result.

2. District Courts

Like the Federal Circuit, the district courts also have their own set of institutional interests with respect to the choice of law for procedural matters in patent cases. In general, the role of a district court is to “dispos[e] of cases by trial or settlement with fairness and with the optimum blend of prompt decision and rightness of result.”²⁷⁹ In particular, with respect to the choice-of-law issue, district courts have an interest in (1) maintaining uniformity in trial management and (2) predictability as to which law to apply.

District courts have an interest in maintaining uniformity in trial management. Indeed, the Federal Circuit has stated that “the policy of achieving uniformity in district court management of trials has been a significant factor in [the court’s] occasional deference to regional circuit law.”²⁸⁰ The court has recognized the district courts’ interest in maintaining uniformity in trial management:

Dealing daily with . . . procedural questions in all types of cases, a district court cannot and should not be asked to answer them one way when the appeal on the merits will go to the regional circuit in which the district court is located and in a different way when the appeal will come to [the Federal Circuit].²⁸¹

²⁷⁷ S. REP. NO. 97-275, at 2-3 (1981), *reprinted in* 1982 U.S.C.C.A.N. 11, 12-13; H.R. REP. NO. 97-312, at 18 (1981).

²⁷⁸ *See Mast, Foos & Co. v. Stover Mfg. Co.*, 177 U.S. 485, 488 (1900) (“[T]he primary duty of every court is to dispose of cases according to the law and the facts: in a word, to decide them right. In doing so, the judge is bound to determine them according to his own convictions.”); *Menowitz v. Brown*, 991 F.2d 36, 40 (2d Cir. 1993) (“[U]ntil the Supreme Court speaks, the federal circuit courts are under duties to arrive at their own determinations of the merits of federal questions presented to them”); *Weis*, *supra* note 244, at 459-60 (citing *Mast, Foos*, 177 U.S. at 488; *Menowitz*, 991 F.2d at 40).

²⁷⁹ *Friendly*, *supra* note 4, at 406-07.

²⁸⁰ *Biodex Corp. v. Loredan Biomedical, Inc.*, 946 F.2d 850, 856 (Fed. Cir. 1991); *accord In re Int’l Med. Prosthetics Research Assocs.*, 739 F.2d 618, 620 (Fed. Cir. 1984); *Schaffner*, *supra* note 3, at 1208.

²⁸¹ *Int’l Med. Prosthetics*, 739 F.2d at 620; *accord Biodex*, 946 F.2d at 856 (quoting *Int’l Med. Prosthetics*, 739 F.2d at 620).

Thus, in an ideal world, district court judges would prefer to always apply the familiar procedural law of their regional circuits rather than applying possibly unfamiliar Federal Circuit law.²⁸²

Additionally, district courts have an interest in predictability as to which law to apply. Importantly, a district court must know whether to apply the law of the Federal Circuit or its own regional circuit to a particular procedural issue in a patent case.²⁸³ The Federal Circuit's choice-of-law problem places the district court in danger of having to "serve[] two masters" and to "look[], Janus-like,²⁸⁴ in two directions in its conduct of [the] judicial process."²⁸⁵ Thus, it is important for the district court to know which law to apply to a given issue.

3. Litigants

Litigants, too, have their own set of institutional interests with respect to the choice of law for procedural matters in patent cases. These interests include (1) predictability as to which law the court will apply to a particular procedural issue and (2) uniformity in procedural law.

Like the district courts,²⁸⁶ litigants in patent cases have an important interest in predictability as to which law the court will apply to a particular procedural issue. In fact, "[a] litigant's primary concern is often predictabil-

²⁸² *McEldowney*, *supra* note 18, at 1655; *see Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1575 (Fed. Cir. 1984), *overruled on other grounds by Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985); *Schaffner*, *supra* note 3, at 1218.

²⁸³ *McEldowney*, *supra* note 18, at 1647-48, 1654-55; *Miller*, *supra* note 2, at 328.

²⁸⁴ Significantly, Janus, the Roman god of bridges, gates, doorways, thresholds, beginnings, and endings, is depicted with two heads looking in opposite directions, not merely two faces. Valentine Muller, *The Shrine of Janus Geminus in Rome*, 47 AM. J. ARCHAEOLOGY 437, 441 (1943) (discussing the historical development of the god, including the Roman tradition of closing the gates of his temple when Rome was at peace); Jay Fellows, *Janusian Thresholds: The Horrible (and Fortuitous) Inside-Outside that Real Space Is*, 19 PERSPECTA: YALE ARCHITECTURAL J. 43, 46 (1982) (noting that looking forward to the end of his journey and also backward to his home, Janus is the paradox of threshold through which humans must both depart and return).

²⁸⁵ *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422, 1439 (Fed. Cir. 1984) (en banc), *overruled on other grounds by Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1067 (Fed. Cir. 1998); *accord Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574 (Fed. Cir. 1984), *overruled on other grounds by Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985); *Schaffner*, *supra* note 3, at 1218; *McEldowney*, *supra* note 18, at 1654-55. In *Panduit*, the Federal Circuit noted:

Where, as here, a procedural question that is independent of the patent issues is in dispute, practitioners within the jurisdiction of a particular regional circuit court should not be required to practice law and to counsel clients in light of two different sets of law for an identical issue due to the different routes of appeal. An equal, if not more important, consideration is that district judges also should not be required to decide cases in this fashion.

Panduit, 744 F.2d at 1574 (footnote omitted).

²⁸⁶ *See supra* Part III.A.2 (discussing the institutional interests of the district courts with respect to the choice-of-law issue in patent cases).

ity of the law.”²⁸⁷ And this predictability applies to procedural law as well as substantive law.²⁸⁸ Indeed, predictability can sometimes be more important in procedural law than in substantive law.²⁸⁹ Moreover, predictability can reduce the cost of litigation.²⁹⁰ Patent litigation is very expensive.²⁹¹ Therefore, litigants have an interest in predictable rules that can reduce litigation expenses.²⁹²

Additionally, like the district courts, litigants have an interest in uniformity of procedural law. However, unlike the district courts, litigants have an interest in nationwide uniformity rather than uniformity within a particular district.²⁹³ “[C]onsumers of patent law are intercircuit actors.”²⁹⁴ Moreover, the practice of patent-litigation attorneys is nationwide.²⁹⁵ Therefore, in an ideal world, litigants would prefer a nationwide “uniform body of procedural law applicable in all cases appealable to the Federal Circuit.”²⁹⁶

B. *The Federal Circuit’s Current Choice-of-Law Rules*

The Federal Circuit could continue with its current choice-of-law rules.²⁹⁷ However, even if the Federal Circuit consistently followed its cur-

²⁸⁷ McEldowney, *supra* note 18, at 1653; *accord* Miller, *supra* note 2, at 328.

²⁸⁸ McEldowney, *supra* note 18, at 1654.

²⁸⁹ *Id.* For example, a court may apply a procedural rule and hold that a party has waived attorney-client privilege over a large set of documents that the party would like to keep secret. *Id.* Such documents might then be available to the public, and they might hurt the party in future litigation. *Id.* In contrast, a ruling of patent invalidity, for instance, affects only that one patent. *Id.* Thus, “[p]rocedural questions can impact every aspect of a company’s activities, whereas patent outcomes might only implicate the value of a particular patent.” *Id.*

²⁹⁰ Nard & Duffy, *supra* note 251, at 1620 (referring to “the need for predictable rules capable of curtailing litigation costs”).

²⁹¹ *E.g.*, Moore, *supra* note 252, at 891 (referring to “the overwhelming costs of patent litigation”).

²⁹² Nard & Duffy, *supra* note 251, at 1620.

²⁹³ Gholz, *supra* note 8, at 316. *But see* Schaffner, *supra* note 3, at 1201 (“[A]lthough having a consistent set of procedural rules for all patent cases nationwide might make patent attorneys’ lives a bit easier, today many attorneys practice nationwide and are accustomed to following the procedural rules of the local trial forum.”).

²⁹⁴ Rochelle Cooper Dreyfuss, *Specialized Adjudication*, 1990 BYU L. REV. 377, 419; *accord* Schaffner, *supra* note 3, at 1211 (quoting Dreyfuss, *supra*, at 419).

²⁹⁵ Gholz, *supra* note 8, at 316; *accord* Dreyfuss, *supra* note 1, at 45; Schaffner, *supra* note 3, at 1201.

²⁹⁶ Gholz, *supra* note 8, at 316.

²⁹⁷ Another court that followed the Federal Circuit’s current choice-of-law rules was the Temporary Emergency Court of Appeals (“TECA”), which was a specialized court that existed from 1970 through 1993. *See* *Tex. Am. Oil Corp. v. U.S. Dep’t of Energy*, 44 F.3d 1557, 1562-63 (Fed. Cir. 1995) (en banc); Thompson, *supra* note 2, at 546-47. Like the Federal Circuit, the TECA’s jurisdiction was defined by its subject matter rather than geography. *See Tex. Am. Oil*, 44 F.3d at 1562; Thompson, *supra* note 2, at 546-47. Congress created the TECA with the Economic Stabilization Act of 1970 (“ESA”).

rent rules,²⁹⁸ these rules fail to fulfill almost all of the important institutional interests, needs, and goals of the Federal Circuit, district courts, and litigants.²⁹⁹ For example, the current rules do not fulfill the Federal Circuit's and litigants' interest in achieving uniformity in patent cases³⁰⁰ because different procedural rules may apply to patent cases with similar factual and legal issues brought in different districts, thus potentially leading to different outcomes. Additionally, the current rules do not satisfy the district courts' interest in maintaining uniformity in trial management³⁰¹ because district courts must sometimes apply regional-circuit law and sometimes apply Federal Circuit law on procedural issues in patent cases.

Although the current rules pay lip service to avoiding or reducing this concern, district courts nonetheless remain in danger of having to “serve[] two masters” and to “look[], Janus-like, in two directions in its conduct of [the] judicial process.”³⁰² Moreover, the current rules fail to fulfill the interest of litigants in achieving nationwide uniformity in procedural law³⁰³ because litigants, who are typically nationwide actors,³⁰⁴ are potentially subject to different procedural law in each regional circuit in which they become involved in a patent case.

Tex. Am. Oil, 44 F.3d at 1562 (citing Pub. L. No. 91-379, 84 Stat. 799 (1970), codified at 12 U.S.C. § 1904). The ESA “authorized the President to stabilize prices, rents, wages, and salaries, and to establish priorities for use and allocation of petroleum products.” *Id.* The district courts had trial jurisdiction under the ESA, and the TECA had appellate jurisdiction over ESA issues. *Id.* at 1563. The purpose of creating the TECA was “to funnel into one court all the appeals arising out of the District Courts and thus gain in consistency of decision.” *Id.* at 1562. Although the ESA authority expired in 1974, most of the ESA was “incorporated by reference into . . . the Emergency Petroleum Allocation Act (EPAA), which was enacted in response to nationwide shortages of petroleum products due to the 1973 Arab oil embargo.” *Id.* (citing Pub. L. No. 93-159, 87 Stat. 627 (1973), codified at 15 U.S.C. § 751 et seq.). In 1981, the EPAA “expired . . . pursuant to a sunset provision.” *Id.* In 1992, jurisdiction over remaining ESA cases was transferred to the Federal Circuit, and the TECA was abolished in 1993. *Tex. Am. Oil*, 44 F.3d at 1561; 13 CHARLES ALAN WRIGHT ET AL., FEDERAL PRACTICE AND PROCEDURE § 3508 n.55 (2008). The TECA followed *Panduit* in deciding that it would “follow the law of the particular regional circuit court where appeals from the district court would normally lie in matters not unique to the [TECA’s] special jurisdiction.” *Consumers Power Co. v. U.S. Dep’t of Energy*, 894 F.2d 1571, 1579 (Temp. Emer. Ct. App. 1990) (per curiam) (citing *Sun Tek Indus. v. Kennedy Sky Lites, Inc.*, 848 F.2d 179 (Fed. Cir. 1988); *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564 (Fed. Cir. 1984)) (applying Sixth Circuit law to the issue of whether to award attorneys’ fees and costs).

²⁹⁸ See *supra* Part II (discussing the Federal Circuit’s inconsistent articulation and application of its choice-of-law rules for procedural issues in patent cases).

²⁹⁹ See Moore, *supra* note 59, at 801 (“Like other commentators, I find the Federal Circuit’s current choice of law rules unsatisfying . . .”).

³⁰⁰ See *supra* pp. 677-78 (discussing the Federal Circuit’s interest in achieving uniformity).

³⁰¹ See *supra* p. 681 (discussing the district courts’ interest in maintaining uniformity in trial management).

³⁰² *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422, 1439 (Fed. Cir. 1984) (en banc), *overruled on other grounds by Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1067 (Fed. Cir. 1998).

³⁰³ See *supra* p. 683 (discussing litigants’ interest in achieving nationwide uniformity).

³⁰⁴ Dreyfuss, *supra* note 294, at 419; Gholz, *supra* note 8, at 316.

Likewise, the current rules do not meet the Federal Circuit's, district courts', and litigants' interest in predictability.³⁰⁵ The lack of predictability engendered by the current rules leads to increased transaction costs for litigants.³⁰⁶ Every procedural rule in a patent case has choice of law as a threshold issue in that attorneys must perform legal research and analysis to determine which law applies. And the lack of predictability under the court's current rules necessarily requires attorneys and district courts to perform more legal research and analysis than should be necessary to determine which law applies. Moreover, even for issues where the Federal Circuit has been consistent concerning choice of law, attorneys must convince the district court to correctly decide which law to apply—a decision that district courts sometimes get wrong even where the Federal Circuit has been consistent in its choice-of-law approach for a given issue.³⁰⁷

Furthermore, as discussed in detail in Part II, *supra*, the Federal Circuit has inconsistently articulated its choice-of-law rules for procedural issues in patent cases.³⁰⁸ This inconsistent articulation has made the rules difficult to apply, thus decreasing the predictability of which law applies to a particular issue. That the current choice-of-law rules are difficult to apply is evidenced by the fact that even in some areas where the court consistently applies its own law, the court should arguably be applying regional-circuit law under the court's current choice-of-law rules, as discussed in detail in Part II.D *supra*.³⁰⁹ Moreover, under the current rules, either regional-circuit or Federal Circuit law can apply to almost any issue depending upon whether the court defines the issue broadly or narrowly,³¹⁰ thus further reducing predictability. Additionally, as described in Parts II.A-C *supra*, the court's application of these rules has been inconsistent.³¹¹ The court has applied its choice-of-law rules inconsistently both within particular procedural issues and between different procedural issues that the court

³⁰⁵ See *supra* pp. 677-78, 682 (discussing the Federal Circuit's, district courts', and litigants' interest in predictability).

³⁰⁶ See Moore, *supra* note 252, at 928 n.134 ("Many commentators have lamented the increased transaction costs caused by unpredictable, fuzzy, or muddy rules.").

³⁰⁷ See *Eolas Techs., Inc. v. Microsoft Corp.*, 457 F.3d 1279, 1282 (Fed. Cir. 2006) (chastising the district court for relying on Federal Circuit case law concerning the issue of reassignment of a case to a new district judge where the Federal Circuit had consistently held that regional-circuit law should apply to that issue); *Elecs. For Imaging, Inc. v. Coyle*, 340 F.3d 1344, 1348 (Fed. Cir. 2003) (holding that "[t]he district court . . . erred to the extent that it applied Ninth Circuit law on personal jurisdiction to [a] patent invalidity claim" even though the court's "prior decisions make clear that where the personal jurisdiction inquiry is intimately involved with the substance of the patent laws, [the court] appl[ies] Federal Circuit law" (internal quotation marks omitted)).

³⁰⁸ See *supra* pp. 650-51 (discussing the Federal Circuit's inconsistent articulation of its choice-of-law test for procedural issues in patent cases).

³⁰⁹ See *supra* Part II.D (giving examples of issues where the Federal Circuit consistently applies its own law but should arguably apply regional-circuit law under the current choice-of-law rules).

³¹⁰ See McEldowney, *supra* note 18, at 1666; *supra* notes 60-66 and accompanying text.

³¹¹ See Dreyfuss, *supra* note 1, at 40; Moore, *supra* note 59, at 800; Miller, *supra* note 2, at 328.

should seemingly treat the same.³¹² Indeed, in many cases, the court simply ignores the choice-of-law issue altogether.³¹³ All these factors show that the Federal Circuit's current choice-of-law rules have failed to yield predictability.

Because the court's current choice-of-law rules do not fulfill the interests of uniformity and predictability, the court's current rules do nothing to prevent or reduce forum shopping on procedural issues.³¹⁴ Reducing forum shopping is an important interest of the Federal Circuit.³¹⁵ Because the court's rules require district courts to apply regional-circuit law for many procedural issues, litigants must "consider which regional circuit has the most favorable law as to the possibly outcome-determinative non-patent procedural or substantive issues."³¹⁶ Indeed, one commentator predicted in 1985 that the court's choice-of-law rules would bring "back the bad old days of forum shopping" as in the time before the creation of the Federal Circuit, though "in a less exacerbated form."³¹⁷

Finally, the court's current choice-of-law rules do not promote the Federal Circuit's interests in avoiding overspecialization and using independent judgment to decide cases correctly.³¹⁸ The current rules do nothing to help the court avoid overspecialization because they require the court to develop its own procedural law only in issues that sufficiently relate to patent law, as opposed to allowing the court to develop its own law on a wide variety of non-patent procedural issues. Likewise, the current rules do not allow the Federal Circuit to use its independent judgment to interpret non-patent-related procedural rules correctly. For example, a problem can arise where a regional circuit has interpreted a non-patent-related procedural rule differently from other circuits.³¹⁹ In such a case, the Federal Circuit would be bound to follow the regional circuit's arguably incorrect interpretation, even though the regional circuit itself would have the power to overrule its previous incorrect interpretation.³²⁰ Thus, the Federal Circuit's current

³¹² See *supra* Part II.A (discussing inconsistencies in the Federal Circuit's choice-of-law approach to Rule 12(b)(6) motions to dismiss, motions for summary judgment, and post-trial motions for judgment as a matter of law); *supra* Part II.B (discussing inconsistencies in the court's approach to the issue of waiver of post-verdict JMOL motions); *supra* Part II.C (discussing inconsistencies concerning issues relating to attorney-client privilege).

³¹³ Cf. *McEldowney*, *supra* note 18, at 1645 ("In its choice-of-procedural-law opinions, the court seems anxious to reach the underlying substance of each suit, and is content to dispose of the choice of procedural law casually and quickly.").

³¹⁴ See *Dreyfuss*, *supra* note 1, at 42.

³¹⁵ *Beverly Hills Fan Co. v. Royal Sovereign Corp.*, 21 F.3d 1558, 1565 n.13 (Fed. Cir. 1994); see *supra* p. 678 (discussing the Federal Circuit's interest in reducing forum shopping).

³¹⁶ *Gholz*, *supra* note 8, at 314.

³¹⁷ *Id.*

³¹⁸ See *supra* pp. 679-81 (discussing the Federal Circuit's interests in avoiding overspecialization and using independent judgment to decide cases correctly).

³¹⁹ *Gholz*, *supra* note 8, at 315.

³²⁰ *Id.*

choice-of-law rules do not meet the Federal Circuit's interests in avoiding overspecialization or using its independent judgment to correctly interpret non-patent-related procedural rules.

Therefore, the Federal Circuit's current choice-of-law rules are far from satisfactory. They fail to fulfill the Federal Circuit's interests in promoting uniformity and predictability, reducing forum shopping, avoiding overspecialization, and using independent judgment to decide cases correctly. Moreover, they fail to promote the district courts' interests in maintaining uniformity in trial management and predictability as to which law to apply. Finally, they fail to achieve the interest of patent litigants in predictability and nationwide uniformity in procedural law.

C. *Previous Suggestions for Improving the Federal Circuit's Choice-of-Law Rules for Procedural Issues in Patent Cases*

A few commentators have proposed changes to the Federal Circuit's approach to the choice-of-law issue for procedural matters in patent cases. Several of these commentators have proposed that the Federal Circuit should apply its own law and not regional-circuit law to all procedural matters in patent cases.³²¹ For example, then-Professor Moore, now Judge Moore, suggested:

Like other commentators, I find the Federal Circuit's current choice of law rules unsatisfying and believe this avenue is ripe for further research into whether a blackletter rule—wherein Federal Circuit law would apply to all procedural issues in patent cases—might be superior to the current choice of law rules.³²²

This Article discusses the proposal to apply Federal Circuit law to all procedural issues in detail in Part III.E, *infra*. This section focuses on two additional proposals: (1) applying Federal Circuit law to all issues that “either impact upon the patent-related primary activity of the parties or . . . relate to patent policy and invoke the special expertise of the Federal Circuit”;³²³ and

³²¹ See Dreyfuss, *supra* note 1, at 45 (“The imposition of divergent interpretations of procedural law may be more problematic, but again the difficulties are not so severe that they mandate that the CAFC follow regional law.”); Gholz, *supra* note 8, at 314-17 (criticizing the Federal Circuit's current approach and proposing legislation to make regional-circuit law non-binding on the Federal Circuit); Moore, *supra* note 59, at 800 (“Perhaps the Federal Circuit should apply its own law to all procedural issues arising in patent cases.”); see also Schaffner, *supra* note 3, at 1217 (“The few commentators who have studied the Federal Circuit's choice of law doctrine essentially have proposed that the Federal Circuit exercise independent judgment over all federal questions presented to it.” (citing Dreyfuss, *supra* note 1, at 43-45; Gholz, *supra* note 8, at 317)).

³²² Moore, *supra* note 59, at 801 & n.98 (2002) (footnote omitted) (citing Dreyfuss, *supra* note 1, at 61-62, 64; Gholz, *supra* note 8, at 314; Schaffner, *supra* note 3, at 1192).

³²³ Schaffner, *supra* note 3, at 1228.

(2) determining whether to apply regional-circuit or Federal Circuit law by using an “essential-relationship spectrum.”³²⁴

In 1996, Professor Joan E. Schaffner proposed that “the Federal Circuit should exercise independent judgment over all legal issues that either (1) impact upon the patent-related primary activity of the parties or (2) relate to patent policy and thus invoke the expertise of the Federal Circuit’s judgment.”³²⁵ She proposed that the Federal Circuit apply regional-circuit law to all other issues.³²⁶ She contended that her proposal best fulfilled what she called the “two fundamental considerations relevant to this inquiry: (1) uniformity in the treatment of ‘like cases’ and (2) the special interests of the Federal Circuit and the regional district and circuit courts.”³²⁷ Under Professor Schaffner’s proposal, the Federal Circuit would apply regional-circuit law to more procedural issues than the court does now under its current choice-of-law rules.³²⁸

In 2005, Sean M. McEldowney proposed that the Federal Circuit should use what he called an “essential-relationship spectrum” to determine which law to apply.³²⁹ Under his proposal, “[a]t one end of this ‘essential relationship’ spectrum are questions that bear no relationship to patent law.”³³⁰ In contrast, “[a]t the other end are questions that are themselves substantive patent law questions.”³³¹ For each procedural issue, the Federal Circuit would have to place that issue “in its proper place, relative to other points on this conceptual spectrum.”³³² At some point on the spectrum would be the “point of demarcation” that would define issues to which the court would apply its own law and the issues to which the court would apply regional-circuit law.³³³ He described this “point of demarcation” as the point at which “the impact of a particular procedural question on substantive patent law becomes sufficiently essential to warrant the Federal Circuit meddling with procedural law despite the risk that such meddling will introduce uncertainty.”³³⁴ Significantly, Mr. McEldowney contended that “the Federal Circuit should give maximum deference to regional circuit precedent and substantially limit its own independent judgment on procedural issues.”³³⁵

³²⁴ McEldowney, *supra* note 18, at 1673-76.

³²⁵ Schaffner, *supra* note 3, at 1210.

³²⁶ *Id.* at 1217-20.

³²⁷ *Id.* at 1206.

³²⁸ *Id.* at 1178-79.

³²⁹ McEldowney, *supra* note 18, at 1673-76.

³³⁰ *Id.* at 1674.

³³¹ *Id.*

³³² *Id.* (emphasis removed).

³³³ *Id.*

³³⁴ *Id.*

³³⁵ McEldowney, *supra* note 18, at 1675.

Professor Schaffner's and Mr. McEldowney's proposed choice-of-law doctrines share certain drawbacks in that they do not meet many of the interests of the Federal Circuit and litigants. First, both proposals give too much weight to the district courts' preference to apply familiar regional-circuit law to procedural issues.³³⁶ Rather than seeking uniform procedural rules for all patent cases nationwide, Professor Schaffner's proposal defines "the relevant 'community' which should be treated uniformly [as] 'cases litigated in the regional district court' rather than 'cases appealed to the Federal Circuit.'"³³⁷ Thus, her proposal does not meet the Federal Circuit's and litigants' interest in nationwide uniformity of procedural issues.³³⁸ Similarly, Mr. McEldowney's proposal suffers from this same drawback in that he proposes "maximum deference" to regional-circuit law.³³⁹ Although both these proposals meet the district courts' interest in uniformity in trial management³⁴⁰ very well, neither proposal meets the Federal Circuit's and litigants' interest in nationwide uniformity of procedural issues.³⁴¹ Accordingly, these proposals would not promote the interest of reducing forum shopping.³⁴² Under these proposals, parties would still have the opportunity to shop for the regional circuit that interprets outcome-determinative procedural law most favorably to their interests.³⁴³

Second, neither Professor Schaffner's proposal nor Mr. McEldowney's proposal would provide sufficient predictability to meet the interests of the Federal Circuit, district courts, and litigants.³⁴⁴ Although Professor Schaffner's proposal may provide more predictability than the Federal Circuit's current test, under her proposal, the Federal Circuit would still apply regional-circuit law to some procedural issues³⁴⁵ and its own law to others.³⁴⁶ Although her proposed test is better articulated than the Federal Circuit's current nebulously articulated test, her proposed test would likely still suffer from inconsistent application. Instead of determining whether a procedural issue was sufficiently related to patent law to justify applying Federal Circuit law, under Professor Schaffner's proposal, courts would have to

³³⁶ Schaffner, *supra* note 3, at 1218; McEldowney, *supra* note 18, at 1675.

³³⁷ Schaffner, *supra* note 3, at 1219-20.

³³⁸ See *supra* pp. 677-78, 683 (discussing the Federal Circuit's and litigants' interest in nationwide uniformity of procedural issues in patent cases).

³³⁹ See McEldowney, *supra* note 18, at 1675.

³⁴⁰ See *supra* p. 681 (discussing the district courts' interest in uniformity in trial management).

³⁴¹ See *supra* pp. 677-78, 683 (discussing the Federal Circuit's and litigants' interest in nationwide uniformity of procedural issues in patent cases).

³⁴² See *supra* p. 678 (discussing the Federal Circuit's interest in reducing forum shopping).

³⁴³ See Gholz, *supra* note 8, at 314.

³⁴⁴ See *supra* pp. 677-78, 682 (discussing the Federal Circuit's, district courts', and litigants' interest in predictability).

³⁴⁵ See Schaffner, *supra* note 3, at 1217-20 ("Federal Circuit deference to regional circuit law is sometimes appropriate.").

³⁴⁶ See *id.* at 1214-15.

determine whether an issue “affect[s] the patent-related primary activity of the parties . . . and invoke[s] the expertise of the Federal Circuit.”³⁴⁷ District courts and the Federal Circuit might have difficulty making this determination, leading to inconsistency.

Third, Mr. McEldowney’s proposal would also not provide sufficient predictability. Under his proposal, the Federal Circuit would still apply regional-circuit law to some procedural issues and its own law to others.³⁴⁸ Importantly, however, the Federal Circuit and district courts would have difficulty determining where to place particular issues on the essential-relationship spectrum.³⁴⁹ Indeed, courts would likely have just as much or even more difficulty placing issues on a spectrum than applying the Federal Circuit’s current choice-of-law test. Thus, both Professor Schaffner’s proposal and Mr. McEldowney’s proposal would likely not increase predictability, which is one of the most important interests of the Federal Circuit, district courts, and litigants.

Fourth and finally, neither Professor Schaffner’s proposal nor Mr. McEldowney’s proposal would allow the Federal Circuit to use independent judgment in deciding procedural issues.³⁵⁰ Indeed, under both proposals, the Federal Circuit would apply regional-circuit law to more issues than it currently does.³⁵¹ Thus, these proposals would not meet the Federal Circuit’s interest in using its independent judgment to decide issues correctly.³⁵² In summary, both Professor Schaffner’s proposal and Mr. McEld-

³⁴⁷ *Id.* at 1216.

³⁴⁸ See McEldowney, *supra* note 18, at 1675.

³⁴⁹ *Cf. id.* (“Of course, the question remains: where is the ‘essential relationship’ point on the spectrum (i.e., where is the line of demarcation between the proper realm of the Federal Circuit and the regional circuits)?”). To determine where this point lies on the spectrum, Mr. McEldowney’s test would require courts to “account for all relevant policy concerns in defining this point of demarcation.” *Id.* But courts would have difficulty applying a test like this one that requires them to consider and balance multiple policy concerns and place issues on a spectrum. See *E. Trans-Waste of Md., Inc. v. United States*, 27 Fed. Cl. 146, 152 (1992) (describing areas of “the law dealing with a spectrum rather than a bright line” as “giv[ing] courts pause” and noting that “such spectrum tests are difficult or impossible to apply objectively to cases in the middle”); *cf., e.g., Vision Ctr. v. Opticks, Inc.*, 596 F.2d 111, 115 (5th Cir. 1979) (“Although these categories [of trademark distinctiveness] are meant to be mutually exclusive, they are spectrum-like and tend to merge imperceptibly from one to another. For this reason, they are difficult to define and, quite frequently, difficult to apply.”); John B. Fowles, *The Utility of a Bright-Line Rule in Copyright Law: Freeing Judges from Aesthetic Controversy and Conceptual Separability in Leicester v. Warner Bros.*, 12 UCLA ENT. L. REV. 301, 317-18 (2005) (describing “Denicola’s spectrum” in copyright law, which is “a sliding scale between art and utility,” as “conceptually difficult to apply”).

³⁵⁰ See *supra* p. 680 (discussing the Federal Circuit’s interest in using independent judgment in deciding procedural issues).

³⁵¹ Schaffner, *supra* note 3, at 1179, 1228; McEldowney, *supra* note 18, at 1675.

³⁵² *But see* McEldowney, *supra* note 18, at 1672 n.140 (criticizing Professor Schaffner’s proposed test because it “would seemingly leave the Federal Circuit free to continue [its] over-expansive review of procedural questions”).

woney's proposal would fail to meet many of the important interests, needs, and goals of the Federal Circuit, district courts, and litigants.

D. *Apply Regional-Circuit Law to All Procedural Issues in Patent Cases*

One way to eliminate the unpredictability and inconsistency inherent in the Federal Circuit's current choice-of-law rules would be for the court to apply regional-circuit law to all procedural issues, even if those issues were related or unique to patent law. This solution is far from ideal, however. Indeed, no commentators have proposed that the court adopt this solution. This solution, as a bright-line rule, would have the advantage of satisfying the Federal Circuit's, district courts', and litigants' interest in predictability.³⁵³ And applying regional-circuit law to all procedural issues would also satisfy the district courts' interest in maintaining uniformity in trial management³⁵⁴ because district courts would always apply familiar regional-circuit law under this solution. But there are disadvantages to this solution that outweigh these two advantages.

Significantly, applying regional-circuit law to all procedural issues would inhibit the Federal Circuit's interest in promoting uniformity in patent law.³⁵⁵ One of the most important reasons that Congress had in creating the Federal Circuit with the FCIA was to bring national uniformity to patent law.³⁵⁶ If the Federal Circuit were to apply regional-circuit law to important, outcome-determinative procedural issues that are unique or essentially related to patent law, the court would fail to achieve its mandate to bring uniformity to patent law. In contrast, by applying its own law to these types of procedural issues, the court "is building a more robust body of patent-related precedent and applying its 'special expertise' in patent law to a great array of issues that intersect with patent law."³⁵⁷ Accordingly, by applying its own law, the court is fulfilling its mandate by "fashion[ing] a body of nationally uniform patent and 'patent-intersecting' law."³⁵⁸

Moreover, applying regional-circuit law to all procedural issues would not promote other important interests of the Federal Circuit, district courts,

³⁵³ See *supra* pp. 677-78, 682 (discussing the Federal Circuit's, district courts', and litigants' interest in predictability).

³⁵⁴ See *supra* p. 681 (discussing the district courts' interest in maintaining uniformity in trial management).

³⁵⁵ See *McEldowney*, *supra* note 18, at 1641; *supra* pp. 677-78 (discussing the Federal Circuit's interest in achieving uniformity).

³⁵⁶ See, e.g., S. REP. NO. 97-275, at 2-6 (1981), *reprinted in* 1982 U.S.C.C.A.N. 11, 12-16; *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574 (Fed. Cir. 1984), *overruled on other grounds by* *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

³⁵⁷ Janice M. Mueller, *At Sea in a Black Box: Charting a Clearer Course for Juries Through the Perilous Straits of Patent Invalidity*, 1 J. MARSHALL REV. INTELL. PROP. L. 3, 18 (2001).

³⁵⁸ *Id.* at 19.

and litigants. For one thing, doing so would not allow the Federal Circuit to fulfill its interest in reducing forum shopping³⁵⁹ because a given procedural issue might have multiple interpretations in the different regional circuits. Thus, parties would have even more of an opportunity to seek the forum having “the most favorable law as to the possibly outcome-determinative non-patent procedural . . . issues.”³⁶⁰ Additionally, applying regional-circuit law to all procedural issues would not advance the Federal Circuit’s interest in avoiding overspecialization and using independent judgment to correctly decide these issues.³⁶¹ Finally, the interest of litigants in nationwide uniformity of procedural laws in patent cases³⁶² would suffer in this solution. Therefore, applying regional-circuit law to all procedural issues in patent cases is not an improvement over the court’s current choice-of-law rules.

E. *Apply Federal Circuit Law to All Procedural Issues in Patent Cases*

A promising solution to the problems of inconsistency and unpredictability with the Federal Circuit’s current choice-of-law rules would be for the court to apply its own law to all procedural issues, regardless of whether these issues were related to substantive patent law. This proposal would advance the interests of achieving nationwide uniformity in patent cases, increasing predictability, reducing forum shopping, allowing the Federal Circuit to avoid overspecialization, and increasing the Federal Circuit’s opportunities to use its independent judgment. Although this proposal has potential drawbacks, these drawbacks are likely not enough to offset the advantages of adopting this proposal.

Adopting the proposal to apply Federal Circuit law to all procedural issues would promote the Federal Circuit’s and litigants’ interest in uniformity.³⁶³ Under this proposal, the Federal Circuit would be able to develop uniform procedural law that would apply in all patent cases.³⁶⁴ More-

³⁵⁹ See *supra* p. 678 (discussing the Federal Circuit’s interest in reducing forum shopping).

³⁶⁰ Gholz, *supra* note 8, at 314.

³⁶¹ See *supra* pp. 679-81 (discussing the Federal Circuit’s interests in avoiding overspecialization and using independent judgment to decide cases correctly).

³⁶² See *supra* p. 683 (discussing litigants’ interest in achieving nationwide uniformity).

³⁶³ See *supra* pp. 677-78, 683 (discussing the Federal Circuit’s and litigants’ interest in nationwide uniformity in procedural law).

³⁶⁴ *But see* Schaffner, *supra* note 3, at 1201 (“The Federal Circuit improperly exercises independent judgment over certain procedural issues under the guise of providing uniformity to patent litigation practice. . . . Exercising independent judgment merely aggravates the perceived drawback of inter-circuit conflict by unnecessarily adding to the nonuniformity of federal law.”). However, Professor Schaffner’s contentions do not sufficiently recognize that nationwide uniformity in patent litigation practice may be desirable, see *supra* Part III.A.3, and that there may be advantages to nonuniformity of federal law, see Dreyfuss, *supra* note 1, at 45 (discussing the advantages of nonuniformity, explaining that “the views of the different courts are thought to percolate, leading to soundly fashioned legal rules”); Thompson, *supra* note 2, at 567.

over, parties and their counsel specializing in patent litigation would benefit from such uniform nationwide procedural law.³⁶⁵

Moreover, this proposal would promote the Federal Circuit's, district courts', and litigants' interest in predictability.³⁶⁶ This proposal is for a bright-line rule,³⁶⁷ which would eliminate the inconsistent application of the Federal Circuit's current choice-of-law rules. This proposal would reduce transaction costs for district courts and litigants, who currently must perform legal research for each procedural issue to determine the threshold issue of whether Federal Circuit or regional-circuit law applies. These transaction costs are particularly wasteful given that the choice of law does not matter for many procedural rules that have uniform nationwide interpretations. Additionally, this proposal would foster predictability by freeing the Federal Circuit and district courts from having to predict how a regional circuit would decide a particular procedural issue that was previously undecided in that circuit, which courts must do now under the Federal Circuit's current choice-of-law rules.³⁶⁸ Such predictions are quite difficult for courts to make,³⁶⁹ so eliminating these types of decisions would do much to increase predictability.

Increasing uniformity and predictability with this bright-line rule would also reduce opportunities for forum shopping.³⁷⁰ The ideal way to reduce forum shopping on procedural issues would be "to eliminate variation in the ways that the district courts resolve patent cases."³⁷¹ Although it

³⁶⁵ See Gholz, *supra* note 8, at 316.

³⁶⁶ See *supra* pp. 677-78, 682 (discussing the Federal Circuit's, district courts', and litigants' interest in predictability).

³⁶⁷ This bright-line rule would be easy for district courts to apply because "the simple jurisdiction-triggering mechanism in 28 USC 1295(a)(1) insures that the district judge as well as counsel will know right from the outset to which appellate court any appeal will lie." Gholz, *supra* note 8, at 316. Indeed, the Federal Circuit has jurisdiction over the appeal of any case in which a patent-infringement claim appears on the face of the well-pleaded complaint. *Holmes Group, Inc. v. Vornado Air Circulation Sys., Inc.*, 535 U.S. 826, 830-31 (2002). In any other case, the appeal would go to the regional circuit, not the Federal Circuit. *See id.*

³⁶⁸ *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1575 (Fed. Cir. 1984), *overruled on other grounds by* *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985); see Dreyfuss, *supra* note 1, at 43 (observing that the Federal Circuit must "guess how a regional circuit would have decided a question that it never did, will, or could face").

³⁶⁹ See Dreyfuss, *supra* note 1, at 42 (describing "the arduous (if not pointless) task of reading the other circuit's opinions on related matters and guessing how the judges would decide the open question"); Dreyfuss, *supra* note 274, at 790-91 ("[I]t is a mistake to create new situations where it is necessary for one group of judges to decide a case based on a forecast of another group's resolution."); cf. *Thompson*, *supra* note 2, at 587 ("[P]rediction of open issues of state law is undeniably complex.").

³⁷⁰ See *supra* p. 678 (discussing the Federal Circuit's interest in reducing forum shopping).

³⁷¹ Moore, *supra* note 252, at 932.

is “likely impossible” to eliminate all such variation,³⁷² this proposal would nonetheless help reduce forum shopping. Under this proposal, all district courts would apply the same Federal Circuit law to all procedural issues in patent cases. Thus, there would be no variation in the interpretation of procedural law between districts, and parties would have less incentive to forum shop.

Moreover, this proposal would help the Federal Circuit fulfill its interest in avoiding overspecialization and exercising its own independent judgment on all issues.³⁷³ Indeed, by applying its own law to all procedural issues, the Federal Circuit would have the opportunity to expand its area of independent judgment to general, non-patent procedural law.³⁷⁴ Although having one more voice interpreting procedural law along with the regional circuits would slightly decrease nationwide uniformity across all cases (i.e., not just patent cases), such variation may be desirable “because the views of the different courts are thought to percolate, leading to soundly fashioned legal rules.”³⁷⁵ Moreover, variation between circuits in the interpretation of federal law “is a natural consequence of the Evarts Act, which established regional circuits that have power to interpret federal law independently.”³⁷⁶

Although the proposal that the Federal Circuit should apply its own law to all procedural issues advances many important interests of the Federal Circuit, district courts, and litigants, this proposal does have potential drawbacks. These potential drawbacks are that this proposal would hurt the district courts’ interest in uniformity in trial management, and practitioners and district court judges might have difficulty in learning and applying unfamiliar Federal Circuit law to procedural issues in patent cases. But these

³⁷² *Id.* Even if the Federal Circuit were to apply its own uniform, nationwide law to all procedural issues in patent cases, some variation between different courts would still exist because “[t]he human element of the administration of justice cannot be eliminated from the legal system.” *Id.*

³⁷³ See *supra* pp. 679-81 (discussing the Federal Circuit’s interest in avoiding overspecialization and exercising independent judgment).

³⁷⁴ Cf. Schaffner, *supra* note 3, at 1215 (“Allowing independent judgment over a variety of [substantive] legal issues comprising a patent-related case promotes the interest of the Federal Circuit by preventing the court from becoming too specialized and plagued by the problems which such specialization might create.”). *But see id.* at 1218 (“[T]he Federal Circuit exercises independent judgment on a host of other issues which allows the court enough latitude so the court does not become too specialized.”).

³⁷⁵ Dreyfuss, *supra* note 1, at 45; accord Marcus, *supra* note 246, at 690 (“It has even been suggested that regional disparities in interpreting federal law are desirable.”); Thompson, *supra* note 2, at 567. *But see* Schaffner, *supra* note 3, at 1218 (“[T]he Federal Circuit’s unique expertise will not add significantly to the ‘percolation’ of these issues.”).

³⁷⁶ Dreyfuss, *supra* note 1, at 45 (footnote omitted). Although the Federal Circuit was created in 1982 under the FCIA rather than in 1891 under the Evarts Act, Dreyfuss, *supra* note 1, at 3, the FCIA establishes the Federal Circuit as a coordinate court to the regional courts of appeals. S. REP. NO. 97-275, at 2-3 (1981), reprinted in 1982 U.S.C.A.N. 11, 12-13; H.R. REP. NO. 97-312, at 18 (1981). Thus, the Federal Circuit should also have the power to interpret federal law independently.

drawbacks are not substantial enough to offset the advantages of adopting this proposal.

One potential drawback in having the Federal Circuit apply its own law to all procedural issues is that doing so would hurt the district courts' interest in uniformity in trial management.³⁷⁷ Indeed, the Federal Circuit has expressed concern that if district courts had to apply Federal Circuit law to procedural issues, then district courts would be forced to "serve[] two masters"³⁷⁸ and have to "answer [procedural questions] one way when the appeal on the merits will go to the regional circuit . . . and in a different way when the appeal will come to [the Federal Circuit]."³⁷⁹ Although this concern is real, under the Federal Circuit's current choice-of-law rules, district courts already are forced to "serve[] two masters"³⁸⁰ because they must apply regional-circuit law to certain procedural issues and apply Federal Circuit law to other procedural issues. Moreover, because of the inconsistent application of the current rules, district courts do not even know which master to serve on a given issue.³⁸¹ At least under the proposal that the Federal Circuit should apply its own law to all procedural issues, district courts will know that they must apply Federal Circuit law to all procedural issues in patent cases.³⁸² Thus, even though this proposed rule does not advance the district courts' interest in uniformity in trial management, this rule is nonetheless superior to the existing rules.³⁸³

Another concern the Federal Circuit has raised with respect to applying its own law to procedural issues is that practitioners and district court judges would have difficulty in learning and applying unfamiliar Federal Circuit law to these issues. Indeed, in *Panduit*, the Federal Circuit reasoned that it is better for the relatively few Federal Circuit judges to have to learn and apply regional-circuit law "than for countless practitioners and hundreds of district judges to do so."³⁸⁴ However, this view is wrong for both

³⁷⁷ See *supra* p. 681 (discussing the district courts' interest in uniformity in trial management).

³⁷⁸ *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422, 1439 (Fed. Cir. 1984) (en banc), *overruled on other grounds* by *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1067 (Fed. Cir. 1998).

³⁷⁹ *In re Int'l Med. Prosthetics Research Assocs.*, 739 F.2d 618, 620 (Fed. Cir. 1984).

³⁸⁰ *Atari*, 747 F.2d at 1439.

³⁸¹ See *McEldowney*, *supra* note 18, at 1647-48.

³⁸² District courts and parties will know early in the litigation whether to apply regional-circuit or Federal Circuit law to all procedural issues because they will know early in the litigation whether the appeal will go to the regional circuit or to the Federal Circuit. See *Gholz*, *supra* note 8, at 316; *cf. Schaffner*, *supra* note 3, at 1215-16 ("[U]nder most circumstances, Federal Circuit jurisdiction over the appeal will be established early in the litigation; thus, the district court will be on notice that [substantive] Federal Circuit precedent should guide its decision." (footnote omitted)).

³⁸³ *Dreyfuss*, *supra* note 1, at 41 (contending that the inconsistency in the Federal Circuit's application of its choice-of-law rules "will, ultimately, be as difficult for practitioners and trial judges as a rule allowing the CAFC to announce its own law on procedural matters"); *id.* at 45 ("Although . . . the same district court would apply different law to different cases, this should not be a dispositive obstacle.").

³⁸⁴ *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1575 (Fed. Cir. 1984), *overruled on other grounds* by *Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985).

practitioners and district court judges. It is wrong for practitioners because the court's reasoning incorrectly "suggests that the practice of law is primarily divided on a geographical basis (i.e., that a majority of patent cases are tried by lawyers who are practitioners within the jurisdiction of a particular regional circuit court who try both patent case and non-patent cases)."³⁸⁵ But in reality, "consumers of patent law are intercircuit actors,"³⁸⁶ and the practice of patent-litigation attorneys is nationwide.³⁸⁷ Therefore, it would actually be easier for patent-litigation attorneys practicing nationwide to learn a single, nationwide body of Federal Circuit procedural law for patent cases rather than to have to learn the procedural law of all the different regional circuits.³⁸⁸

Furthermore, the Federal Circuit's view that it is better for its judges to learn and apply regional-circuit law "than for . . . hundreds of district judges to do so"³⁸⁹ is also wrong. District court judges are certainly capable of learning and applying Federal Circuit procedural law. For one thing, they already do so today for procedural issues to which the Federal Circuit applies its own law under its current choice-of-law rules. Moreover, in *Panduit*, the Federal Circuit reasoned that it can learn and apply regional-circuit law because it already must "review[] pending matters in light of state law."³⁹⁰ But this reasoning applies at least equally to district courts. Indeed, all courts must apply the law of different jurisdictions in a variety of settings.³⁹¹ Thus, there is no significant reason that district courts are not capa-

³⁸⁵ Gholz, *supra* note 8, at 316 (internal quotation marks omitted).

³⁸⁶ Dreyfuss, *supra* note 294, at 419.

³⁸⁷ Dreyfuss, *supra* note 1, at 45; Gholz, *supra* note 8, at 316; Schaffner, *supra* note 3, at 1201.

³⁸⁸ See Gholz, *supra* note 8, at 316 ("[I]t is more important as a matter of policy to have a uniform body of procedural law applicable in all cases appealable to the Federal Circuit than it is to uniformly apply the procedural law applicable within a particular regional circuit to cases that are appealable to the Federal Circuit as well as to cases that are appealable to that particular regional circuit." (internal quotation marks omitted)).

³⁸⁹ *Panduit*, 744 F.2d at 1575.

³⁹⁰ *Id.*

³⁹¹ Dreyfuss, *supra* note 1, at 45 ("The *Erie* doctrine has acquainted the federal bench with the problem of applying more than one body of substantive law."); Gholz, *supra* note 8, at 316 ("[D]istrict court judges are accustomed to applying the law of various states (and, indeed, of various nations) other than the state and nation in which they sit pursuant to normal choice-of-law rules."); see also, e.g., *Voda v. Cordis Corp.*, 476 F.3d 887, 906 (Fed. Cir. 2007) (Newman, J., dissenting) ("Precedent illustrates myriad situations in which the courts have determined and applied foreign law . . ."); *Hays v. Bryan Cave LLP*, 446 F.3d 712, 714 (7th Cir. 2006) ("[T]here is nothing unusual about a court having to decide issues that arise under the law of other jurisdictions . . ."); *Miller v. Pilgrim's Pride Corp.*, 366 F.3d 672, 674 (8th Cir. 2004) ("[F]ederal courts regularly apply the laws of foreign jurisdictions . . ."); *Sanchez v. U.S. Airways, Inc.*, No. CIV.A. 99-6586, 2001 WL 793304, at *3 n.2 (E.D. Pa. July 13, 2001) ("[C]ourts are required to apply the law of other jurisdictions every day . . ."); *Engel v. W.R. Berkley Corp.*, No. CIV.3:00CV1779-H, 2001 WL 238113, at *8 (N.D. Tex. Mar. 6, 2001) ("Courts are frequently called upon to apply the laws of other jurisdictions in diversity cases . . ."); *De Lage Landen Fin. Servs., Inc. v. Cardservice Int'l, Inc.*, No. CIV. A. 00-2355, 2000 WL 1593978, at *2 (E.D. Pa. Oct. 25, 2000) ("[F]ederal judges routinely apply the law of various jurisdictions . . .").

ble of applying unfamiliar Federal Circuit law to procedural issues in patent cases.

Moreover, the parties in a patent case would be in a position to educate the district court judge as to what the law of the Federal Circuit is concerning applicable procedural issues. Because patent-litigation attorneys practice nationwide,³⁹² presumably they would become quite familiar with Federal Circuit procedural law. Where procedural issues arise pre- and post-trial, the parties could educate the court as to the applicable Federal Circuit law in their briefs.³⁹³ Furthermore, for complicated evidentiary rulings likely to arise during trial, parties could make use of motions in limine.³⁹⁴ Parties could thus educate the district court on the Federal Circuit's procedural law using briefs in support of these motions in limine, giving district court judges adequate time to learn and properly apply Federal Circuit law.³⁹⁵ Finally, district court judges likely would not have difficulty applying Federal Circuit law to procedural issues that arise during trial.³⁹⁶ These issues

³⁹² Dreyfuss, *supra* note 1, at 45; Gholz, *supra* note 8, at 316; Schaffner, *supra* note 3, at 1201.

³⁹³ For example, full briefing is the normal practice for pre-trial motions such as motions to dismiss or for summary judgment, as well as for post-trial motions such as motions for a new trial or judgment as a matter of law.

³⁹⁴ See Charles W. Gamble, *The Motion in Limine: A Pretrial Procedure That Has Come of Age*, 33 ALA. L. REV. 1, 8 (1981); cf. Gentry v. Mangum, 466 S.E.2d 171, 180 (W. Va. 1995) ("Rule 103(c) of the [West Virginia] Rules of Evidence permits and encourages pretrial motions *in limine* as the appropriate procedure for determining the admissibility of time consuming and difficult evidentiary issues.").

³⁹⁵ Gamble, *supra* note 394, at 8. Motions in limine for these types of evidentiary issues are useful because

[t]he motion *in limine* has the advantage of raising evidentiary issues prior to trial that the judge might otherwise be called upon to decide during the heat and hurry of litigation. This less hurried pace, especially when the motion is accompanied by a brief or memorandum, should permit the trial judge a greater opportunity to study the question in light of the cited authorities.

Id. (footnotes omitted).

³⁹⁶ To address the concern that it would be too difficult for district court judges to apply unfamiliar Federal Circuit law to procedural issues that arise during the heat of trial, the proposal to apply Federal Circuit law to all procedural issues could be modified. Under this modified proposal, courts would apply Federal Circuit law to all procedural issues except those that a district court judge must make "on the fly" at trial, such as the admissibility of evidence. See Friendly, *supra* note 4, at 407 n.6 ("Rulings on the admissibility of evidence [by a trial court] are the most obvious instance where quick decision is essential."). District court judges would thus be able to apply familiar regional-circuit law to issues that arise at trial. And district court judges would have to apply Federal Circuit law only to issues where the "concern that district courts not be required to apply two sets of substantive or procedural laws during trial, depending on the appellate path ultimately taken, [would] not [be] at issue." *Biodex Corp. v. Lore-dan Biomedical, Inc.*, 946 F.2d 850, 859 (Fed. Cir. 1991); see also *Manildra Milling Corp. v. Ogilvie Mills, Inc.*, 76 F.3d 1178 (Fed. Cir. 1996) (citing *Biodex*, 946 F.2d at 859) ("In the present case, however, the impact on the district court's management of an ongoing trial will not be great because the . . . issue arises only after the trial has been completed. Thus, defining this term as a matter of Federal Circuit law does not interfere with the district court's ability to manage the majority of the trial according to regional circuit law.").

are likely to be simpler than those with which the district court judge would have already dealt in motions in limine. And Federal Circuit procedural law likely would not differ from regional-circuit law for many issues, making it easy for district court judges to apply Federal Circuit law. Thus, district court judges are fully capable of properly applying Federal Circuit law to all procedural issues in patent cases.

Therefore, the proposal that the Federal Circuit apply its own law to all procedural issues would advance the interests of achieving nationwide uniformity in patent cases, increasing predictability, reducing forum shopping, allowing the Federal Circuit to avoid overspecialization, and increasing the Federal Circuit's opportunities to use its independent judgment. Although this proposal has potential drawbacks, these drawbacks are likely not substantial enough to offset the advantages of adopting this proposal. Therefore, the Federal Circuit should apply its own law to all procedural issues in patent cases.³⁹⁷

CONCLUSION

Because of its unique jurisdiction, the Federal Circuit faces a unique situation with respect to choice of law for procedural issues in patent cases.

This modified proposal has the advantage of being a bright-line rule, and it better fulfills the interest of the district courts in uniformity in trial management and applying familiar law. However, this modified proposal also has several important disadvantages. For example, although this modified proposal is for a bright-line rule, it might be more confusing and difficult to apply than the straightforward proposed rule in which the Federal Circuit would always apply its own law to procedural issues. It also seems somewhat arbitrary to make choice-of-law determinations based on when an issue arises during litigation. Additionally, this modified proposal might be subject to something akin to forum shopping where parties might seek favorable Federal Circuit law for trial issues by filing motions in limine they otherwise might not file. Furthermore, this modified proposal would not advance the interest of nationwide uniformity in procedural law in patent cases, it would not reduce forum shopping as much as applying Federal Circuit law to all procedural issues would, and it would also not fulfill the Federal Circuit's interest in avoiding overspecialization and using independent judgment as much as applying Federal Circuit law to all procedural issues would. Thus, this modified proposal is likely not superior to the proposal to apply Federal Circuit law to all procedural issues.

³⁹⁷ The Federal Circuit could choose to adopt this proposal itself through an en banc ruling in an appropriate case. An en banc ruling would be necessary for the Federal Circuit to overrule its precedent that established the court's existing choice-of-law rules. *See Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1351 n.3 (Fed. Cir. 2006) (“[O]nly the [Federal Circuit] *en banc* may overrule precedent.”). However, as Charles Gholz wrote in 1985, “[b]y now the Federal Circuit’s law on choice-of-law appears to be too firmly entrenched to hope for the court to overrule its own precedent.” Gholz, *supra* note 8, at 317. If that was true in 1985, it certainly remains true today, so an en banc change to the court’s choice-of-law rules seems unlikely. Alternatively, Congress could enact a statute that would require the Federal Circuit to apply its own law to all procedural issues in patent cases. *See id.* (proposing that Congress enact legislation providing that the Federal Circuit would not be bound by regional-circuit law). Indeed, Congress could include such a statute within the comprehensive patent-reform bills that it has considered over the last few years.

The court's current rule is to apply the law of the regional circuit to an issue unless that issue sufficiently implicates substantive patent law. However, the Federal Circuit has not consistently articulated this rule. Accordingly, the court has not applied this rule consistently. Indeed, both intra- and inter-issue inconsistencies have arisen.

Instead, the Federal Circuit should apply its own law to all procedural issues in patent cases, even if those issues are not related to substantive patent law. This solution would advance the interests of achieving nationwide uniformity in patent cases, increasing predictability, reducing opportunities for forum shopping, and allowing the Federal Circuit to avoid overspecialization and increase its opportunities to use its independent judgment. Although under this solution, district courts would have to apply relatively unfamiliar Federal Circuit law to procedural issues in patent cases instead of more familiar regional-circuit law, the benefits of this proposed solution outweigh the disadvantages. Indeed, district courts today already must apply Federal Circuit law to some procedural issues. However, because of the Federal Circuit's inconsistent application of its choice-of-law rules, district courts today often do not know which law to apply. Thus, district court judges would benefit from the predictability that this solution would bring. And district court judges are up to the task. District court judges are just as competent and capable of applying Federal Circuit law to procedural issues as the Federal Circuit judges are of applying regional-circuit law to particular procedural issues. Finally, patent litigants would benefit greatly from the nationwide uniformity and increased predictability that this solution would bring. Therefore, the Federal Circuit should apply its own law to all procedural issues in patent cases.