
FOREWORD

ASSURING CONSISTENCY AND UNIFORMITY OF PRECEDENT AND LEGAL DOCTRINE IN THE AREAS OF SUBJECT MATTER JURISDICTION ENTRUSTED EXCLUSIVELY TO THE U.S. COURT OF APPEALS FOR THE FEDERAL CIRCUIT: A VIEW FROM THE TOP

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Although thought of by some as simply a patent law court,¹ the U.S. Court of Appeals for the Federal Circuit actually has been given sole responsibility, at the court of appeals level, for numerous other areas of law.² They include: (1) all government contract disputes, whether for goods and services, civilian and military small or large;³ (2) all international trade cases, which comprise anti-dumping duties, counter-vailing duties to offset foreign government subsidization of exporting companies and customs tariffs on imports;⁴ (3) veterans' benefits claims;⁵ (4) government personnel adverse actions, including those brought by alleged whistleblowers;⁶ (5) appeals from the

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1. See 28 U.S.C. 1295(a) (1), (4) (2006) (setting forth Federal Circuit's appellate jurisdiction over all appeals from U.S. district court patent decisions and over patent and trademark appeals from the United States Patent and Trademark Office).

2. 28 U.S.C. § 1295 (2006).

3. *Id.* § 1295(a) (3), (10).

4. *Id.* § 1295 (a) (5), (7).

5. 38 U.S.C. § 7292 (2006).

6. 28 U.S.C. § 1295 (a) (9).

International Trade Commission's import exclusion orders, which concern products made elsewhere that if were made here would infringe a United States patent;⁷ (6) just compensation cases under the Takings Clause of the 5th Amendment to the U.S. Constitution, often involving the adverse effects on property owners due to government regulations;⁸ (7) tax refund cases;⁹ (8) childhood vaccine injury cases, which concern medical causation issues;¹⁰ (9) back-pay cases involving both civilian government employees and military officers denied required promotions;¹¹ and (10) all other appeals from final decisions of the Court of Federal Claims.¹² In addition to cases involving the patent¹³ and plant variety protection¹⁴ laws of the United States, the court also hears appeals from the ninety-four U.S. district courts involving money claims against the Federal government not exceeding \$10,000.¹⁵ Other tribunals reviewed by the court include, in addition to the Court of Federal Claims, the U.S. Court of International Trade, the U.S. Court of Appeals for Veterans Claims, the Merit Systems Protection Board, the Civilian Board of Contract Appeals, the Armed Services Board of Contract Appeals, the Congressional Office of Compliances, the patent and trademark appeals boards of the Patent and Trademark Office, as well as several other tribunals. In all, the court reviews decisions of over 100 courts and other tribunals as well as certain rulings of the Secretary of Veterans Affairs¹⁶ and certain other cabinet officers.¹⁷

A large majority of the court's appeals concern administrative agency actions, so the court could be considered an administrative law court more than a patent court particularly since patent cases are only about one-third of our docket.¹⁸ Until recently, personnel and

7. *Id.* § 1295(a)(6).

8. *Id.* §§ 1295(a)(3), 1491(a)(1).

9. *Id.* § 1295(a)(2).

10. *Id.* § 1295(a)(3); 42 U.S.C. § 300aa-11 (2006).

11. 28 U.S.C. §§ 1295(a)(3), 1491(a)(1).

12. *Id.* § 1295(a)(3).

13. *Id.* § 1295(a)(1), (3) (setting forth the Federal Circuit's appellate jurisdiction over all appeals from U.S. district court patent decisions).

14. *Id.* § 1295(a)(8) (giving the Federal Circuit exclusive jurisdiction over all appeals under section 71 of the Plant Variety Protection Act, 7 U.S.C. § 2461 (2006)).

15. *Id.* § 1295(a)(2).

16. 38 U.S.C. § 502 (2006).

17. *See, e.g.*, 28 U.S.C. § 1295(b), (c) (authorizing appeals brought by the head of any executive department or agency from Board of Contract Appeals' final decisions where the agency head decides the decision is not entitled to finality under the standards promulgated in 41 U.S.C. § 609(b) (2006)); *id.* § 1296(a)(3) (authorizing the Federal Circuit's jurisdiction over appeals brought by the Secretary of Labor under "part C of subchapter II of chapter 5 of title 3").

18. *See, e.g.*, FY 2008 Appeals Filed to the Federal Circuit By Category, <http://www.ca9.uscourts.gov/pdf/ChartFilings08.pdf> (last visited March 23, 2009).

veterans filings each outnumbered our intellectual property cases.¹⁹ Now, pending patent cases outnumber all other areas, not because they have increased but because veterans and personal filings have decreased.

With such diverse areas of responsibility, it should be no surprise that the majority of our twelve active judges (and all four senior judges) are not lifetime patent lawyers, although one-third are; it is just in proportion to our patent portion of the entire docket. The rest of the judges have extremely varied backgrounds. In addition to high-level Department of Justice officials,²⁰ the court has several general civil litigators from private practice,²¹ two former professors of law,²² a tax lawyer,²³ and three former staff leaders from the U.S. Senate.²⁴

With so diverse a caseload and so diverse of complement of judges, it is not immediately apparent what is the unifying theme of the court's many subject areas of jurisdiction. But the Federal Court

(graphically displaying the relative percentages of appeals for each of the Federal Circuit's jurisdictional areas).

19. *Compare id.* (listing the Federal Circuit's FY2008 appeals by category, where intellectual property appeals constituted thirty-three percent of the court's case load and personnel (twenty-nine percent) and veterans appeals (twelve percent) constituted forty-one percent of the court's case load), *with* FY 2007 Appeals Filed to the Federal Circuit By Category, <http://www.cafc.uscourts.gov/pdf/ChartFilings07.pdf> (last visited March 1, 2009) (listing the Federal Circuit's FY2007 appeals by category, where intellectual property appeals constituted twenty-nine percent of the court's case load and personnel (twenty-six percent) and veterans appeals (twenty-one percent) constituted forty-seven percent of the court's case load), *and* FY 2006 Appeals Filed to the Federal Circuit By Category, <http://www.cafc.uscourts.gov/pdf/ChartFilings06.pdf> (last visited March 1, 2009) (listing the Federal Circuit's FY2006 appeals by category, where intellectual property appeals constituted thirty-one percent of the court's case load and personnel (twenty-nine percent) and veterans appeals (twenty-two percent) constituted fifty-one percent of the court's case load).

20. *See, e.g.*, Federal Circuit: Judicial Biographies, <http://www.cafc.uscourts.gov/judgbios.html> (last visited March 23, 2009) (noting that Chief Judge Michel, Senior Judge Friedman, Senior Judge Archer, Judge Schall, and Judge Bryson had served in the Department of Justice prior to their appointment to the Federal Circuit).

21. *See, e.g., id.* (noting that Senior Judge Archer, Judge Mayer, Senior Judge Clevenger, Judge Schall, Judge Bryson, Judge Gajarsa, Judge Linn, Judge Dyk, and Judge Moore have had experiences in private practice prior to their appointment to the Federal Circuit).

22. *See, e.g., id.* (indicating that Judge Plager and Judge Moore served as full-time law professors and that a number of other judges served as adjunct professors prior to their appointment to the Federal Circuit).

23. *See, e.g., id.* (indicating that Senior Judge Archer was a prominent tax attorney and as Assistant Attorney General, Tax Division, prior to his appointment to the Federal Circuit).

24. *See, e.g., id.* (noting that Chief Judge Michel, Judge Rader, and Judge Prost held positions as staff leaders in the Senate prior to their appointment to the Federal Circuit).

Improvements Act of 1982,²⁵ which created the court, makes clear in its text and even more so in its legislative history that Congress selected all those areas for which it placed a premium on the need for national uniformity.²⁶ Thus, cases once heard in twelve regional courts of appeals were removed and concentrated in a single circuit court, called the Federal Circuit, and housed in what, pursuant to later legislation, is now called the Howard T. Markey National Courts Building in honor of our court's first chief judge.²⁷ It is the only court of appeals whose jurisdiction is based on subject-matter rather than geography. It is thus, at least so far, the only exception to the regional organization of federal courts of appeals which had its genesis in the Evarts Act of 1891.²⁸ Tax, social security, and environment cases were among additional areas of subject matter jurisdiction considered by, but in the end not adopted by, the Congress.²⁹

In the legislative history, Congress prohibited specialization among the judges of this semi-specialized court.³⁰ Although locating the court in the nation's capital of Washington, D.C., and requiring its judges to reside within 50 miles of the city,³¹ Congress also authorized and expected the court to sit from time to time in the other major cities, those in which any other circuit court may sit.³² This the court has done throughout its history, sitting once or twice a year for over a decade in other cities all around the nation as befits a "national" court of appeals. In addition, many of our judges regularly sit by designation of the Chief Justice of the United States with other circuit courts. I myself sat last October with the U.S. Court of Appeals for the Third Circuit.³³

25. Pub. L. 97-164, 96 Stat. 25 (1982) (codified as amended in various parts of 18 U.S.C.).

26. See, e.g., S. REP. NO. 97-275, at 2 (1981) (stating that two purposes of the legislation are "to fill a void in the judicial system by creating an appellate forum capable of exercising nationwide jurisdiction over appeals in areas of the law where Congress determines there is a special need for nationwide uniformity" and "to improve the administration of the patent law by centralizing appeals in patent cases"). See generally S. Jay Plager & Lynne E. Pettigrew, *Rethinking Patent Law's Uniformity Principle: A Response to Nard and Duffy*, 101 NW. U. L. REV. 1735 (2007).

27. Pub. L. 105-179, 112 Stat 510 (1998).

28. 26 Stat. 826 (1891).

29. See S. REP. NO. 97-275, at 40 (1981) (statement of Sen. Baucus) (expressing concern over recent proposals to create such specialty courts).

30. See *id.* at 6.

31. 28 U.S.C. § 44(c) (2006).

32. *Id.* § 48.

33. See, e.g., *Gross v. German Found. Indus. Initiative*, 549 F.3d 605 (3d Cir. 2008) (holding that the Joint Statement of the Berlin Accords did not confer a private cause of action to enforce an interest provision within the Joint Statement).

From this brief explanation of origins and purpose, it should be clear that maximizing consistency and clarity of the rules derived from precedential holdings is more important for the Federal Circuit than for the other courts of appeals. What then does the court do to address this overarching goal? Essentially three things. First, in addition to avoiding specialization among our judges regarding the various and diverse “niche” jurisdictions, the court’s calendaring system relies on a randomized creation of panel membership, and each argument day in our monthly argument week features a new, randomly-drawn panel. Panel judges, being quite aware of the congressional mandate of uniformity and consistency, work hard to suggest clarifying changes to the assigned author’s draft opinion for the panel. Second, after the panel members have revised their opinion and agreed on its wording, it is circulated for eight working days (more in the summer months) to all other active and senior judges of the court, plus any visiting judge of whom we typically have had at least one per argument week for the past two and half years.³⁴ Often the non-panel judges suggest further improvements and clarifications. Third, the semi-permanent staff attorneys of our court’s Central Legal Office, during the same eight-day review period, compare the language on each issue with corresponding language in past precedents to identify unintended sources of conflict or confusion. All judges receive the Office’s analysis, and often further refinements result.

Lastly, like all courts of appeals, we consider rehearing panel decisions en banc, both *sua sponte* and pursuant to petitions filed by the losing appellate party. In either mode, rehearing requires an affirmative vote of at least seven of the twelve active judges. The vote occurs only if a poll of all such judges is requested by any one of them. When the Chief Judge receives such a request, usually supported by an accompanying memorandum, a poll must promptly be circulated. Unlike many other matters brought to the Chief Judge, on this one the Chief’s actions involve no discretion, but are purely ministerial. Standards for voting on polls are set forth in Federal Rule of Appellate Procedure 35, suggesting en banc consideration is appropriate when “necessary to secure or maintain uniformity of the court’s decision; or the proceeding involves a question of exceptional importance.”³⁵ The Rule advises that en banc

34. See, e.g., List of Federal Circuit’s Visiting Judges, http://www.cafc.uscourts.gov/pdf/Visiting_Judges.pdf (last visited February 28, 2009).

35. FED. R. APP. P. 35(a).

hearing of appeals is disfavored and will be granted only sparingly.³⁶ In accordance with this approach, we say informally among ourselves that mere disagreement with the panel's result or even its rationale ordinarily will not justify en banc rehearing.³⁷ Even inconsistent dicta will not. But a truly inconsistent or conflicting holding will. That is, we compare the holdings of one or more decisions, usually comparing a panel opinion with a panel opinion issued earlier. Although many forget this, the settled rule is that an earlier panel decision controls and therefore the holding in the later case must conform.³⁸ As one might expect, the result is that en banc consideration is granted only five times or less per year.³⁹ The court routinely receives about 100 petitions per year for panel and en banc rehearings, about half in patent infringement cases.⁴⁰ And, the number filed has risen significantly in recent years.

Why are en banc cases so rare? Well, perhaps nearly all alleged conflicts of holding are actually no more than conflicts of dicta. But there are other reasons as well. For one thing, en bancs are extremely inefficient, often requiring as much as ten times the work hours of each judge as the same case required of a member of a three-judge panel. Such cases may also increase friction among the judges, impairing the collegiality so important to an appellate court.

Not surprisingly then, a petition for en banc rehearing that results in a poll (and very few do) often secures as many as three or four votes, but not more. Since it generally takes seven votes, a number of appeals each year "almost" go en banc but do not. The sixth and seventh votes are usually difficult to find. Some of our active judges think the court goes en banc too often, some too seldom. My own view is that numbers or percentages of grants do not tell a useful story. The question is not how many cases per year are reheard en banc, but whether those requiring such treatment are. It is, of

36. *Id.*

37. *See, e.g.,* Amgen, Inc. v. Hoechst Marion Rousel, Inc., 469 F.3d 1039, 1043 (Fed. Cir. 2006) (Lourie, J.) (concurring in decision not to rehear case en banc "even though [he] agree[d] that the panel erred in construing the claim limitation" at issue).

38. *Newell Cos. v. Kenney Mfg. Co.*, 864 F.2d 757, 765 (Fed. Cir. 1988) ("Where there is direct conflict" between two Federal Circuit panel decisions, "the precedential decision is the first.").

39. *See, e.g.,* Chart of Federal Circuit's Decisions Regarding Petitions for Rehearing, <http://www.cafc.uscourts.gov/pdf/PetitionsforRehearingFiledandGranted99-08.pdf> (last visited March 23, 2009) (examining the Federal Circuit's decisions on en banc and panel rehearing petitions).

40. For data regarding the number and types of appeals in the Federal Circuit from 1999 to 2008, see <http://www.cafc.uscourts.gov/pdf/March5thInnpresentation.pdf>.

course, a matter of sophisticated judgment. In addition, individual judges may have different concerns. For example, for one judge the risk of numerous separate dissents or concurrences may seem to make the law less, rather than more, consistent and clear. Another may feel the issue will someday require clarification or outright correction, but the particular case seems not the best vehicle.⁴¹ Sometimes judges feel more development of the issue by panels is useful and therefore the en banc consideration is better left to another day, another case.

In addition, judges are, too a great degree, dependent on the quality of the petitions written by advocates. Often, these petitions merely allege rather than demonstrate a true conflict in holdings. Often they fail to carefully analyze Supreme Court precedents and how doctrines have evolved. Usually, broad dicta is all that is cited to support full court rehearing. Among ourselves we derisively refer to such quotes of snippets of language as “cite bites.” They are seldom helpful. Advocates, however, complain that the filing deadlines for both parties and potential amici (respectively, fourteen and seven days, until recently⁴²) are too short for quality filings. Therefore, the court has enlarged these deadlines, roughly doubling each.⁴³ Time alone will tell whether the result will be better, in-depth advocacy.

The amici filings can be merely repetitive of the party’s and thus useless. Or, it can be extremely fresh and, therefore, potentially of great value.

Amicus participation on the merits of cases reheard en banc has grown greatly in recent years. The court’s most recent en banc case, *In re Bilski*,⁴⁴ included some thirty-six amicus briefs. Many were high quality, and in my own view credible, candid, and convincing. Once a case is voted to be heard or reheard en banc, the court reliably receives ample amicus participation. But amicus briefs before panels, even in obviously landmark cases, are rather rare. Perhaps most needed, in my opinion, is more amicus help on the threshold question of *whether* to go en banc in the first place. In several recent

41. See *Amgen, Inc.*, 469 F.3d at 1045 (Garjarsa, Linn, & Dyk, JJ.) (concurring in denial of the petition for rehearing en banc but noting that “[i]n an appropriate case [they] would be willing to reconsider limited aspects of the *Cybor* decision”).

42. See, e.g., FED. R. APP. P. 29(e), 35(c), 40(a).

43. See FED. CIR. R. 35 (petition for rehearing en banc); FED. CIR. R. 40 (petition for panel rehearing).

44. 545 F.3d 943 (Fed. Cir. 2008) (en banc), *petition for cert. filed*, 77 U.S.L.W. 3442 (U.S. Jan. 28, 2009) (No. 08-964).

speeches, I have encouraged greater attention to this opportunity.⁴⁵ My own belief is that while the court is a trustee of the areas responsibility granted by Congress, the court's bar (really a dozen specialty bars) has a major role indeed, and a responsibility, as well.

The *Law Review's* annual Federal Circuit volume is of interest to our court and our bars as well as to the academic community and the student staff. Maximizing consistency must be a community-wide project. Therefore, I thank the *Law Review* for the opportunity to explain our processes and unmet needs and to seek still more input from the entire community, especially to help identify which appeals truly justify and warrant en banc consideration.

45. See, e.g., Chief Judge Paul R. Michel, Address to the Program on Information Justice and Intellectual Property at the Washington College of Law: Patentable Subject Matter After the *Bilski* Decision, Jan. 26, 2009, <https://fedcirbar.webex.com/mw03051/mywebex/default.do?siteurl=fedcirbar>.