

## PROCESS CONSIDERATIONS IN THE AGE OF *MARKMAN* AND MANTRAS

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*Professor Nard argues that although notions of uniformity and certainty have always been part of patent law parlance, since the Federal Circuit's decision in Markman v. Westview Instruments, Inc., these noble ends have achieved mantra status. In Markman, the Federal Circuit, in the name of uniformity and certainty, characterized claim interpretation as a question of law subject to de novo review, thus positioning itself as the arbiter of claim meaning. Although Professor Nard disagrees with this characterization and asserts that uniformity and certainty are ill-served by such, he concedes that it is here to stay, at least for the foreseeable future. Therefore, Professor Nard addresses Markman on its own terms. Consequently, to achieve uniformity and certainty in the context of de novo review, he suggests a proposal to encourage the Federal Circuit to accept interlocutory appeals of district court claim interpretations or so-called Markman hearings. According to the proposal, the Supreme Court, pursuant to the Rules Enabling Act, would promulgate a rule specifically permitting or requiring the Federal Circuit to hear an interlocutory appeal of a claim interpretation decision. Professor Nard argues that the Federal Circuit, which has a special duty to promote uniformity and certainty, cannot have it both ways; that is, the court cannot employ a de novo standard of review on the one hand and, on the other hand, refuse to entertain interlocutory appeals. Furthermore, acceptance of interlocutory appeals would foster early certainty and promote settlement negotiations. Consistent with this proposal, he also recommends that a district court, when applicable, apply the doctrine of issue preclusion to its sister courts' claim interpretation decisions. The application of issue preclusion would promote uniformity at the district court level, and coupled with interlocutory review, would promote early certainty.*

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Uniformity and certainty are modern patent law mantras particularly as they apply to approaches to claim interpretation and to ultimate claim meaning. Although the virtues of uniformity and certainty were always appreciated in patent law, they have only achieved mantra status in the wake of *Markman v. Westview Instruments, Inc.*<sup>1</sup> In *Markman*, the en banc majority of Federal Circuit judges characterized the issue of claim interpretation as a question of law subject to de novo review.<sup>2</sup> In so doing, the court positioned itself as the arbiter of claim meaning and, therefore, the overseer of patent infringement proceedings.<sup>3</sup> The only issue that was thought to be on the table, in what is now known as *Markman I*, was *who* should be responsible for interpreting claim language: judge or jury. In holding that claim interpretation was solely for the court, the Federal Circuit majority, based largely on functional considerations, eloquently justified its decision. The heart of the court's reasoning was that eliminating the jury from claim interpretation would promote uniformity and certainty in patent law. Fair enough; but does this attractive prospect require the court to label claim interpretation a question of law with a concomitant de novo standard of review?

In a previous work, I expressed my skepticism of the *Markman I* decision and its progeny.<sup>4</sup> Specifically, I argued that de novo review and the virtual exclusion of extrinsic evidence in determining claim meaning is inconsistent with legal and hermeneutic philosophy, ignores the centrality of patent law's person of ordinary skill in the art and the district court's institutional superiority, and, ultimately, poses a unsettling risk to post-innovation practices such as improvement theory and design-around theory.<sup>5</sup> In this essay, however, I challenge *Markman I* on its own terms. I argue that if the Federal Circuit persists in viewing claim interpretation as a question of law subject to de novo review, it should take heed of certain process considerations so as to facilitate the realization of *early* certainty and uniformity in patent law because currently, these important policy concerns are as elusive as they were prior to *Markman I*, if not more so.<sup>6</sup>

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1. 52 F.3d 967 (Fed. Cir. 1995) (en banc).

2. See *id.* at 979.

3. See *id.* at 989 (Mayer, J., dissenting) (“[T]o decide what the claims mean is nearly always to decide the case.”); see also *MCV, Inc. v. King-Seeley Thermos Co.*, 870 F.2d 1568, 1570 (Fed. Cir. 1989) (“[T]he dispositive issue on the merits would be the definition of the invention . . . .”); *Elf Atochem N. Am., Inc. v. Libbey-Owens-Ford Co.*, 894 F. Supp. 844, 859 (D. Del. 1995) (“Not surprisingly, resolution of the claim interpretation issues often resolves the infringement issue, as it will in this case.”); *Lucas Aerospace, Ltd. v. Unison Indus., L.P.*, 890 F. Supp. 329, 332 n.3 (D. Del. 1995) (“[C]laim construction more often than not determines the outcome on infringement[.]”); Linda Greenhouse, *Ruling Curbs Jury's Role on Patents*, N.Y. TIMES, Apr. 24, 1996, at D1 (“‘Once you have construed the scope of the claim, that's the end of the game,’ said a patent expert, Bo Pasternak of the law firm of Choate, Hall & Stewart in Boston.”).

4. See Craig Allen Nard, *A Theory of Claim Interpretation*, 14 HARV. J.L. & TECH. 1 (2000).

5. See *id.*

6. See William F. Lee & Anita K. Krug, *Still Adjusting to Markman: A Prescription for the Timing of Claim Construction Hearings*, 13 HARV. J.L. & TECH. 55, 67 (1999) (“Although, according to the Federal Circuit and the Supreme Court, *Markman* should have ushered in greater uniformity, predictability, and certainty in patent litigation, many believe that the holding has had the opposite effect. This is largely because Federal Circuit review of claim interpretation is de novo.”).

Thus, I propose that the court should be more receptive to adjudicating interlocutory orders arising from *Markman* hearings.<sup>7</sup> In this regard, I set forth two proposals that would either entice or require the Federal Circuit to grant an interlocutory appeal on the issue of claim interpretation. To realize early certainty, the Federal Circuit must make a choice—either afford district court claim interpretations more deference or grant interlocutory appeals on the issue of claim interpretation.<sup>8</sup> The Federal Circuit cannot have it both ways; the court may not exercise de novo review while refusing to hear interlocutory appeals. Furthermore, I urge the Federal Circuit to endorse and facilitate the district court’s appropriate application of issue preclusion in the context of claim interpretation. When applicable, the doctrine of issue preclusion will have a unifying effect on claim meaning consistent with the vision of *Markman I*.

Part I discusses *Markman I* and its progeny, as well as the present desire of certain Federal Circuit judges to remake, if not drastically limit, *Markman I*. Part II.A addresses the issue of interlocutory appeals in the context of *Markman* hearings and proposes that the Supreme Court exercise its authority pursuant to the Rules Enabling Act<sup>9</sup> to promulgate a rule *specifically* making *Markman* orders appealable as a matter of discretion or, in the alternative, appealable as of right. Finally, part II.B discusses the doctrine of issue preclusion and its role in fostering uniformity at the district court level.

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7. In response to the Federal Circuit *Markman* decision, and especially following the Supreme Court’s affirmance, many district courts began holding, prior to the liability phase, special hearings to construe claim language. At this hearing, the district court judge hears evidence on claim construction and, thereafter, construes the claims in issue before a trial on the merits commences. These hearings quickly became known as *Markman* hearings. See generally Frank M. Gasparo, *Markman v. Westview Instruments, Inc. and Its Procedural Shock Wave: The Markman Hearing*, 5 J.L. & POL’Y 723, 724–25 (1997); Lee & Krug, *supra* note 6, at 58.

8. See Lee & Krug, *supra* note 6, at 68 (“[C]ontributing to the lack of certainty is the fact that, although claim construction is an interlocutory decision, and *Markman* hearings have become prevalent, there has not been interlocutory review of trial judges’ claim interpretations.”).

9. The Rules Enabling Act provides that the Supreme Court shall have the power to “prescribe general rules of practice and procedure” for the federal courts. 28 U.S.C. § 2072 (1994). However, there are several stages in the process of promulgating a rule. First, a proposed rule is considered by the Advisory Committee on Civil Rules. See *id.* § 2073(a)(2). Second, if this committee approves the rule, it is then considered by the Standing Committee and, thereafter, the Judicial Conference before making its way to the Supreme Court. See *id.* § 2073(b). Lastly, if the Supreme Court favors the rule, it is then considered by Congress, who may veto the proposed rule. See *id.* § 2074(a)–(b). If Congress does not exercise its veto authority, the rule goes into effect. See *id.* § 2074(a). For a discussion of the history of the Rules Enabling Act, see Stephen B. Burbank, *The Rules Enabling Act of 1934*, 130 U. PA. L. REV. 1015 (1982).

## I. THE *MARKMAN* DECISION, ITS PROGENY, AND THE BURGEONING APOSTASY

### A. Markman I: *Blinding the Artisan*

Many Federal Circuit judges in recent years have understandably expressed their frustration with inept or purposively vague claim drafting,<sup>10</sup> the uncertainties that accompany the equitable doctrine of equivalents,<sup>11</sup> and the vicissitudes of the jury in patent cases.<sup>12</sup> Similar to the atmosphere of the late nineteenth century,<sup>13</sup> this frustration has prompted some judges

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10. *E.g.*, *ZMI Corp. v. Cardiac Resuscitator Corp.*, 844 F.2d 1576, 1583 (Fed. Cir. 1988) (Nichols, J., dissenting) (referring to claim drafting, Judge Nichols wrote “[w]e are up against what we must realistically consider a growing inability of speakers and writers, lawyers, technicians, and laymen, to say what they intend to say with accuracy and clarity”).

11. *E.g.*, *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1538 (Fed. Cir. 1991) (Lourie, J.). As Judge Lourie noted:

Application of the doctrine of equivalents is the exception, however, not the rule, for if the public comes to believe (or fear) that the language of patent claims can never be relied on, and that the doctrine of equivalents is simply the second prong of every infringement charge, regularly available to extend protection beyond the scope of the claims, then claims will cease to serve their intended purpose. Competitors will never know whether their actions infringe a granted patent.

*Id.*

12. *E.g.*, Judge Paul R. Michel, *Improving Patent Jury Trials*, in PLI'S FOURTH ANNUAL INSTITUTE FOR INTELLECTUAL PROPERTY LAW 1998, at 81 (PLI Patents, Copyrights, Trademarks & Literary Prop. Course Handbook Series No. 532, 1998) (“The very unpredictability of jury verdicts not only undermines opinion letters, but discourages license agreements and design-arounds, and multiplies litigation—with attendant costs in money, disruption and delay.”).

13. In the early nineteenth century there was no statutory requirement to *claim* an invention. The Patent Act of 1793 simply required the applicant to “distinguish [his invention] from all other things before known.” Patent Act of 1793, § 3, 1 Stat. 318, 321 (repealed 1836). Despite the lack of a statutory claim requirement, applicants began to include claim-type language in their patents. These inchoate claims were eventually used with greater frequency. Applicants would engage in what was known as central claim drafting, whereby an applicant would describe his invention in a claim and thereafter include the phrase “as substantially as described herein” or some variation thereof. During litigation, the court would peruse the written description and the drawings to determine the “principle that formed the inventive idea or solution underlying the claim language.” Toshiko Takenaka, *Doctrine of Equivalents After Hitlon Davis: A Comparative Law Analysis*, 22 RUTGERS COMPUTER & TECH. L.J. 479, 502 (1996). This practice was so common that when the Patent Act of 1836, ch. 357, 5 Stat. 117 (1836), was passed, it was “understood as merely codifying the existing law which had been developed by the courts.” Karl B. Lutz, *Evolution of the Claims of U.S. Patents*, 20 J. PAT. OFF. SOC'Y 134, 143 (1938). The word “claim” found its way into the 1836 Patent Act and, as a result, assumed greater importance. Nevertheless, the claim was still not regarded as the central feature of the patent document, even though applicants began to draft claims more specifically by expending a “great deal of effort . . . in formulating claims, and the practice grew of presenting a profusion of claims of varying form and scope.” William Redin Woodward, *Definiteness and Particularity in Patent Claims*, 46 MICH. L. REV. 755, 764 (1948). As the emphasis on claims grew, however, so did the ease with which a competitor could circumvent claims by making minor modifications to his product, thus avoiding literal infringement. The Supreme Court responded to this practice in *Winans v. Denmead*, 56 U.S. (15 How.) 330 (1853), wherein the Court held that a device may infringe a patent claim despite the fact that the claim did not literally read on the device. *See id.* at 342–43. Thus, the Court looked beyond the four corners of the patent claim and established what became known as the doctrine of equivalents. Many viewed *Winans* and its progeny as a threat to the notice function of the patent claim, and in 1870, Congress, for the first time, specifically required the patent applicant to *claim* his invention distinctly and with particularity. *See* Patent Act of 1870, ch. 230, § 26, 116 Stat. 198, 201 (1871). This new requirement, which came to be known as peripheral claiming, was designed to “accommodate the notice function of claims.” Joseph S. Cianfrani, *An Economic Analysis of the Doctrine of Equivalents*, 1 VA. J.L. & TECH. 1, 13 (1997). It did this by increasing the reliability of “claims by the public by limiting the bounds of the patent to that covered by the claims and a narrow range of equivalents.” *Id.* at 14. Central claiming was officially dead, and much

to reemphasize the importance of certainty and uniformity in patent law, and one way to establish these virtues is to champion the notice function of the patent claim.<sup>14</sup> Section 112 of title 35 requires the patentee to “particularly” point out and “distinctly” claim what he “regards as his invention;”<sup>15</sup> therefore, competitors of the patentee should be able to discern the boundaries of the patentee’s proprietary interest without lifting their eyes from the patent’s text.<sup>16</sup>

This “movement” ineluctably led to the elimination of the jury from the issue of claim interpretation, which, it should be noted, is generally regarded as a positive development by the patent bar.<sup>17</sup> Reducing the jury’s

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like the hypertextualist’s atmosphere today, the patent claim in 1870 held center stage. *E.g.*, *Merrill v. Yeomans*, 94 U.S. 568, 570 (1876) (asserting that the claim is of “primary importance” in ascertaining exactly what is patented).

14. *E.g.*, *Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1311 (Fed. Cir. 1999) (Michel, J.) (referring to notice function of claims); *Sextant Avionique, S.A. v. Analog Devices, Inc.*, 172 F.3d 817, 830 (Fed. Cir. 1999) (Lourie, J.) (referring to notice function of claims).

15. 35 U.S.C. § 112 (1994).

16. *E.g.*, *Merrill*, 94 U.S. at 573–74 (“It seems to us that nothing can be more just and fair, both to the patentee and to the public, than that the former should understand, and correctly describe, just what he has invented, and for what he claims a patent.”); *Litton Sys., Inc. v. Honeywell, Inc.*, 145 F.3d 1472, 1474 (Fed. Cir. 1998) (Gajarsa, J., dissenting from the order declining the suggestion for rehearing in banc); *Hoganas AB v. Dresser Indus.*, 9 F.3d 948, 951 (Fed. Cir. 1993) (stating that the function of claims is “putting competitors on notice of the scope of the claimed invention”). In *Litton Systems, Inc.*, Judge Gajarsa stated:

Public notice of the scope of the right to exclude, as provided by the patent claims, specification and prosecution history, is a critical function of the entire scheme of patent law. The notice function is critical because it provides competitors with the necessary information upon which they can rely to shape their behavior in the marketplace.

145 F.3d at 1474 (Gajarsa, J., dissenting from the Order declining the suggestion for rehearing in banc).

17. See *Resolutions Acted Upon by Council: August 1995–1996*, 1995–96 A.B.A. SEC. INTELL. PROP. L. REP. 55, 60 (containing text of Resolution 605-1, which the Council approved in Oct. of 1995). Resolution 605-1 said:

*RESOLVED*, that the Section of Intellectual Property Law reaffirms in principle that construing patent claims to define the scope of the patent right is a question of law that is treated, by both the trial and appellate courts, identical to statutory construction, and specifically, the Section recommends that the ABA file an amicus brief on the merits in the United States Supreme Court in support of the Respondent in *Markman v. Westview Instruments, Inc.*

*Id.*; see also *1996 Fall Council Meeting*, 1996 A.B.A. SEC. INTELL. PROP. L. REP. 17, 18 (“[T]he vote [of the Amicus Briefs Committee] was 19–3 to support the Respondent over the Petitioner.”); Holmes J. Hawkins III, *Claim Interpretation in a Post-Markman Environment*, in *PATENT LITIGATION 1999*, at 709 (PLI Patents, Copyrights, Trademarks & Literary Prop. Course Handbook Series No. 572, 1999) (“One of the most important legacies of the *Markman* decision is that parties now have the ability to identify and resolve claim interpretation issues at a much earlier stage than before.”); Joseph R. Re, *Understanding Both Markman Decisions*, in *PATENT LITIGATION 1996*, at 92 (PLI Patents, Copyrights, Trademarks & Literary Prop. Course Handbook Series No. 456, 1996) (“The patent bar apprehensively read the [Supreme Court’s *Markman*] decision and breathed a sigh of relief.”); Richard A. Machonkin, Note, *Markman v. Westview Instruments, Inc. and Hilton Davis Chemical Co. v. Warner-Jenkinson Co.: The Federal Circuit Gets Its Laws and Its Facts Straight*, 9 HARV. J.L. & TECH. 181, 203 (1996) (“Both *Markman* and *Hilton Davis* properly allocate the burdens of adjudication between judge and jury.”); William R. Zimmerman, Note, *Unifying Markman and Warner-Jenkinson: A Revised Approach to the Doctrine of Equivalents*, 11 HARV. J.L. & TECH. 185, 267 (“*Markman* . . . developed a uniform and consistent inquiry for assessing literal infringement.”); *Federal Circuit Holds Fourteenth Annual Judicial Conference*, BNA PAT. TRADEMARK & COPYRIGHT L. DAILY, July 5, 1996 (“[Practitioner Laurence] Pretty speculated that [*Markman*] will result in more predictability where claim construction is involved[.] . . . spur early motions for summary judgment and . . . more settlements in patent cases. [and] . . . a swinging of the pendulum back to more court trials and away from jury trials.”); Arthur Wineburg, *What Hath Markman Wrought?*, IP WORLDWIDE, Sept.–Oct.

role in patent litigation, however, was only the first step. The court took an additional step and characterized claim interpretation as a question of law subject to de novo review. Thus, the decision rendered the patent's text the principal and, for all practical purposes, the sole interpretive tool—a tool that, according to some Federal Circuit judges, is “rarely ambiguous.” As such, in the name of certainty and uniformity, the respective roles of the trial judge and the expert witness have been greatly marginalized, while the influence of the Federal Circuit, in turn, has been significantly augmented.

The importance of the notice function of the patent claim has always been appreciated or, at least, understood by judges on the Federal Circuit and its predecessor, the Court of Customs and Patent Appeals. It was not until the 1995 en banc Federal Circuit decision in *Markman v. Westview Instruments, Inc.*<sup>18</sup> (*Markman I*), however, that it reached the forefront of patent law jurisprudence. Prior to *Markman I*'s arrival at the doors of the Federal Circuit, the court was well aware of the concerns of the patent bar regarding the susceptibility and credulity of juries in patent cases, particularly with respect to the issue of claim interpretation.<sup>19</sup> *Markman I* provided the Federal Circuit with an opportunity to address these concerns.

The principal issue in *Markman I* seemingly boiled down to one of institutional competence: who is better able to interpret patent claims—judge or jury?<sup>20</sup> In finding that the judge was best suited to interpret patent claims, the Federal Circuit provided several functional reasons. For instance, the court focused on tradition,<sup>21</sup> gravity of the decision,<sup>22</sup> predictability,<sup>23</sup> and uniformity.<sup>24</sup> This part of the court's analysis was well-reasoned

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1996 (“This decision will greatly increase the predictability and uniformity of interpretations of patent claims.”).

But see Donald R. Dunner & Howard A. Kwon, *Cybor Corp v. FAS Technologies: The Final Say on Appellate Review of Claim Construction?*, 80 J. PAT. & TRADEMARK OFF. SOC'Y 481, 497 (1998) (“The Federal Circuit's plenary authority over the claim construction process may have harsh results in practice and may undermine the juridical role of the district courts in patent litigation.”); William F. Lee, *The Ever Confounding Question of Claim Construction: Markman and Its Progeny*, in PATENT LITIGATION 1998, at 153 (PLI Patents, Copyrights, Trademarks & Literary Prop. Course Handbook Series No. 531, 1998) (“[The] impact [of *Markman*], unfortunately, has not necessarily been that desired or expected.”).

18. 52 F.3d 967 (Fed. Cir. 1995) (en banc).

19. E.g., Michael A. Sartori, *An Economic Incentives Analysis of the Jury's Role in Patent Litigation*, 79 J. PAT. & TRADEMARK OFF. SOC'Y 331, 333 (1997) (“[I]n time with the questioning by the patent legal community, the Court of Appeals for the Federal Circuit entered the foray and questioned the jury's role in three areas of patent litigation [including claim interpretation].”).

20. There were also constitutional issues pertaining to the Seventh Amendment right to a jury that are beyond the scope of this article and not particularly germane to my thesis.

21. See *Markman*, 52 F.3d at 978 (asserting that a patent is a written instrument and “[i]t has long been and continues to be a fundamental principle of American patent law that ‘construction of a written evidence is exclusively with a court’”).

22. See *id.* (“When a court construes the claims of the patent, it ‘is as if the construction fixed by the court had been incorporated in the specification,’ and in this way the court is defining the federal legal rights created by the patent document.” (citation omitted)).

23. See *id.* at 978–79.

It is only fair (and statutorily required) that competitors be able to ascertain to a reasonable degree the scope of the patentee's right to exclude. They may understand what the scope of the patent owner's rights by obtaining the patent and prosecution history—the undisputed public

and should have ended there, but, perhaps inclined to establish itself as the arbiter of claim meaning and to enhance its power to oversee patent infringement disputes, the court went on to find that claim interpretation was a question of law subject to *de novo* review.<sup>25</sup>

We . . . hold that in a case tried to a jury, the court has the power and obligation to construe as a matter of law the meaning of language used in the patent claim. . . . Because claim construction is a matter of law, the construction given the claims is reviewed *de novo* on appeal.<sup>26</sup>

It is important to point out that the court did not have to reach or create the law/fact issue to find that a judge is better able than a jury to interpret claims.<sup>27</sup> The court could very easily have justified its decision on the functional or institutional considerations that it so capably articulated.

Moreover, by addressing the law/fact issue, the court painted itself into a corner with respect to the issue of extrinsic evidence because the court was now faced with the prospect of reconciling the use of factually intensive expert testimony by district court judges with its holding that claim interpretation is a question of law subject to *de novo* review. The court finessed this issue by focusing on the informational aspects of expert testimony. According to the court, because a district court judge may not be technologically savvy, “[e]xtrinsic evidence . . . may be necessary to inform the court about the language in which the patent is written.”<sup>28</sup> Notably, the court went on to admonish that “this evidence is not for the purpose of clarifying ambiguity in claim terminology;”<sup>29</sup> in fact, “[i]t is not ambiguity in the document that creates the need for extrinsic evidence but rather unfamiliarity of the court with the terminology of the art to which the patent is

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record” — and applying established rules of construction to the language of the patent claim in the context of the patent. Moreover, competitors should be able to rest assured, if infringement litigation occurs, that a judge, trained in the law, will similarly analyze the text of the patent and its associated public record and apply the established rules of construction, and in that way arrive at the true and consistent scope of the patent owner’s rights to be given legal effect.

*Id.* (citations omitted).

24. *See id.* at 979 (“To treat the nature of the patented invention as a matter of fact, to be inquired of and determined by a jury, would at once deprive the inventor of the opportunity to obtain a permanent and universal definition of his rights under the patent.” (citing PROFESSOR WILLIAM C. ROBINSON, *THE LAW OF THE PATENTS FOR USEFUL INVENTIONS* § 7330, at 483–84 (1890))).

25. In her dissent, Judge Newman characterized this as “classification power.” *Markman*, 52 F.3d at 1008. Citing the work of Professor Martin Louis, Judge Newman cautioned that “[c]ommentators have remarked on the temptation of appellate courts to redefine questions of fact as questions of law in order to impose the court’s policy viewpoint on the decision.” *Id.*; *see also* John R. Thomas, *On Preparatory Texts and Proprietary Technologies: The Place of Prosecution Histories in Patent Claim Interpretation*, 47 *UCLA L. REV.* 183, 209–10 (1999) (“Seeking to expand its ability to regulate patent infringement disputes, the Federal Circuit sought an interpretive strategy that would provide it with unrestrained powers of review.”).

26. *Markman*, 52 F.3d at 979. Another area of patent law in which the court has characterized as a question of law is “public use” under 35 U.S.C. § 102 (b). *See* *Lough v. Brunswick Corp.*, 86 F.3d 1113 (Fed. Cir. 1996).

27. Indeed, eliminating the jury from the claim interpretation analysis does not mean, as *de novo* review would suggest, that factual determinations are also eliminated. Judges frequently make factual determinations in nonjury trials.

28. *Markman*, 52 F.3d at 986.

29. *Id.*

addressed.”<sup>30</sup> Because expert testimony is merely to be used as an educational tool, “the court is *not* crediting certain evidence over other evidence or making factual evidentiary findings.”<sup>31</sup> In a seemingly contradictory assertion, however, the majority also noted that “the focus” of a claim interpretation analysis “is on the objective test of what *one of ordinary skill in the art at the time of the invention would have understood the term to mean.*”<sup>32</sup> On the one hand, the artisan can be used only as an “educational tool”; yet, on the other hand, the court is to discern what the artisan “would have understood” the claim language to mean.

The majority’s conflicting language was highlighted by Judge Newman in a lengthy dissent wherein she characterized the majority opinion as “unworkable, and ultimately unjust.”<sup>33</sup> For Judge Newman, the role of the expert is indispensable in interpreting claims because “[p]atents are technology disclosures, written by and for the technologically experienced: those ‘of skill in the art.’”<sup>34</sup> By adopting a *de novo* standard, the majority denies that the meaning and scope of disputed technical terms “are classical questions of fact” that are most efficiently and effectively discovered at the trial level.<sup>35</sup>

The ideological lines were drawn in *Markman I*. Subsequent cases provided those judges who disagreed with *Markman I* an opportunity to elaborate upon their position.<sup>36</sup> In turn, an intracircuit split ensued,

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30. *Id.*

31. *Id.* at 981.

32. *Id.* at 986 (emphasis added).

33. *Id.* at 967, 999 (Newman, J., dissenting). Judges Newman and Mayer were also concerned about the Constitutional implications of the majority opinion with respect to the Seventh Amendment right to a jury issue. *See id.* at 992–93 (Mayer, J., concurring in the judgment), 1010–17 (Newman, J., dissenting). This is not central to my thesis, and therefore, will not be discussed.

34. *Id.* at 999.

35. *Id.* at 1006. Judge Newman also noted:

Inventors’ usages of words to describe their inventions, and the meaning thereby conveyed to persons skilled in the field, are questions of fact, not matters of law, in patent documents as in other written instruments. Disputes concerning the meaning and usage of technical terms and words arise in many areas of law. These disputes are resolved by the triers of fact, whether judge or jury, in their established roles in the adjudicatory process.

*Id.* at 1007.

36. For example, in *Hoechst Celanese Corp. v. BP Chems. Ltd.*, 78 F.3d 1575 (Fed. Cir. 1996), Judge Newman again expressed her displeasure with *Markman I*. *See id.* at 1579–80, 1584. In *Hoechst*, the claimed invention related to a method for reducing iodide contamination in an organic medium by the addition of a macroreticulated silver-charged cation exchange resin. *See id.* at 1577. The claim stated that the resin must be “stable in the organic medium.” *Id.* at 1578. In the written description, “stable” was defined as that which would not break down or “change more than about 50 percent of its dry physical *dimension.*” *Id.* at 1578–79 (emphasis added). The parties could not agree on the meaning of the word “dimension.” Although the court ultimately relied on the written description to resolve the dispute, Judge Newman was clearly receptive to the extrinsic evidence that was introduced during the trial:

The parties have provided us with photographs and experimental data, the testimony of the scientists who produced the data and interpreted it, and the testimony of experts in the field. *Markman [I]* limits appellate reliance on extrinsic evidence to evidence in explanation of the technology and technical terms . . . . However, we have found it necessary to rely on the evidence presented at the trial and credit certain evidence over other evidence, for we are not personally qualified to know the scientific meanings of “stable” and “dimension” as applied to macroreticulated cation-exchange resins in organic medium.

prompting the Supreme Court to review *Markman I* in a decision known as *Markman II*.<sup>37</sup>

### B. *Markman II: De Novo Review Called into Question*

The Supreme Court, in an opinion written by Justice Souter, unanimously affirmed the Federal Circuit's holding that claim interpretation is solely for the judge. The Court, like the Federal Circuit, based its decision on "functional considerations" such as uniformity and the judge's "training in exegesis."<sup>38</sup> Two additional and related points, however, must be made about *Markman II*. The first relates to the relationship between expert testimony and claim interpretation; and the second concerns the proper standard of review. We will see that the Supreme Court's treatment, or lack thereof, of these two issues provided both an affirmation of the *Markman I* majority position and an impetus for the dissenters to push-on.

#### 1. "Internal Coherence" and the Role of Extrinsic Evidence

In holding that claim interpretation was solely an issue for the judge, the Court addressed the role of the jury in making credibility determinations.<sup>39</sup> The Supreme Court stated that "any credibility determinations will be subsumed within the necessarily sophisticated analysis of the whole document."<sup>40</sup> Thus, while recognizing the value of expert testimony, the Court emphasized the primacy of the patent's text as an interpretive tool. According to the Court, "[t]he decisionmaker vested with the task of construing the patent is in the better position to ascertain whether an expert's proposed definition fully comports with the specification and claims and so will preserve the patent's *internal coherence*."<sup>41</sup>

The typical credibility determinations that a jury makes "are much less significant than a trained ability to evaluate the testimony in relation to the overall structure of the patent."<sup>42</sup> The *Markman I* majority has understood the Court's subsumption of credibility determinations "within the whole document" and emphasis on the preservation of the "patent's internal coherence" to mean that the intrinsic record enjoys a certain interpretive primacy and, while expert testimony may be helpful, it cannot contradict the *unambiguous* text of the patent.<sup>43</sup>

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*Id.* at 1579. Judge Mayer also expressed his discontent with *Markman I*. *E.g.*, *Pall Corp. v. Micron Separation, Inc.*, 66 F.3d 1211, 1224 (Fed. Cir. 1995) (Mayer, J., concurring) ("I continue to think that *Markman* was wrongly decided.")

37. *See Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996).

38. *Id.* at 388.

39. *See id.* at 388–90.

40. *Id.* at 389.

41. *Id.* at 390 (emphasis added).

42. *Id.*

43. *See infra* notes 44–46.

Consider the Federal Circuit's opinion in *Vitronics Corp. v. Conception, Inc.*,<sup>44</sup> wherein the court provided district court judges and the patent bar with an interpretive, if not mechanical, road map that, when read properly, would rarely lead to the use of expert testimony. The court stated that "where the public record [i.e., claims, specification, and prosecution history] unambiguously describes the scope of the patented invention, reliance on any extrinsic evidence is improper."<sup>45</sup> The rationale is that "competitors are entitled to review the public record, apply the established rules of claim construction, ascertain the scope of the patentee's claimed invention and, thus, design around the claimed invention."<sup>46</sup>

## 2. *Claim Interpretation as a "Mongrel Practice"*

The second point relating to the Supreme Court's *Markman II* decision concerns the proper standard of review for claim interpretation. Although the Court did not directly address this issue, it stated, in what proved to be controversial dicta, that the issue of claim interpretation is a "mongrel practice" that "falls somewhere between a pristine legal standard and a simple historical fact."<sup>47</sup> This language breathed new life into the *Markman I* dissenters, who, sensing an opening, conflated the issues of expert testimony and standard of review. These judges, using the *Markman I* majority's own terms, eagerly seized upon Justice Souter's law/fact language to assert that claim interpretation involved significant factual determinations centering around the use of expert testimony. Because claim interpretation was not a pure question of law, the *Markman I* dissenters argued that de novo review, while acceptable for the ultimate legal conclusion on claim scope, was not the sole standard of review; rather, the court should review the *factual findings* more deferentially. This argument allowed the dissenters to advance what they considered to be a central precept of claim interpretation: extrinsic evidence plays a fundamental role in claim construction.

### C. *De Novo Review Solidified in the Wake of Markman II*

In the wake of *Markman II*, the *Markman I* majority continued to emphasize the primacy of the intrinsic record and the de novo standard of

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44. 90 F.3d 1576 (Fed. Cir. 1996).

45. *Id.* at 1583; see also *Georgia-Pacific Corp. v. United States Gypsum Co.*, 195 F.3d 1322, 1332 (Fed. Cir. 1999) ("[W]hen intrinsic evidence is unambiguous, it is improper for the court to rely on extrinsic evidence to contradict the meaning of the claims."); *Robotic Vision Sys., Inc. v. View Eng'g, Inc.*, 189 F.3d 1370, 1375 (Fed. Cir. 1999) ("Often, the intrinsic evidence alone will resolve any ambiguity in a disputed claim term, and in such instances, reliance on extrinsic evidence is improper.")

46. *Vitronics Corp.*, 90 F.3d at 1583.

47. *Markman*, 517 U.S. at 388 (quoting *Miller v. Fenton*, 47 U.S. 104, 114 (1985)).

review.<sup>48</sup> Although they opined that extrinsic evidence may be used as an interpretive tool in the face of ambiguity, the *Markman I* majority would nearly always find that the intrinsic record was clear on its face.<sup>49</sup> In contrast, the *Markman I* dissenters were persistent in stressing not only the importance of the intrinsic record but also the necessity of extrinsic evidence in claim interpretation. As a normative matter for the dissenters, a threshold finding of textual ambiguity is not necessary, or even possible, before considering extrinsic evidence. Therefore, like Arthur Corbin in the context of contractual interpretation<sup>50</sup> or his student, Karl Llewellyn,<sup>51</sup> the dissenters would always admit extrinsic evidence when construing claim language.<sup>52</sup> Arguably, from an epistemological perspective, Llewellyn's merchant juror is to commercial law what a person of ordinary skill in the art is to patent law.<sup>53</sup>

48. *E.g.*, *Phonometrics, Inc. v. N. Telecom, Inc.*, 133 F.3d 1459, 1464 (Fed. Cir. 1998) (Michel, J.) (“Claim construction is a question of law, and therefore we review the district court’s claim interpretation *de novo*.”).

49. One may argue that the text of the patent may have been facially clear or the technology at issue was relatively simple, and, therefore, extrinsic evidence was not needed. My point, however, is that what may seem plain or simple to a judge may actually be understood as more complex by an artisan. We just do not know. As Judge Easterbrook noted, “[w]hat seems clear to a judge may read otherwise to a skilled designer.” *In re Mahurkar Double Lumen Hemodialysis Catheter Patent Litig.*, 831 F. Supp. 1354, 1359 (N.D. Ill. 1993) (Easterbrook, J., sitting by designation).

50. See ARTHUR LINTON CORBIN, 3 CORBIN ON CONTRACTS: A COMPREHENSIVE TREATISE ON THE RULES OF CONTRACT LAW § 555, at 239 (1960) (stating that “usages and customs are a part of those circumstances by which the meaning of words is to be judged”); see also Walter Benn Michaels, *Against Formalism: The Autonomous Text in Legal and Literary Interpretation*, 1 POETICS TODAY 23, 27 (1979).

[W]here the *Restatement* admits extrinsic evidence only in the case of an ambiguity in the contract itself, Corbin would have required no such prima facie ambiguity. He insisted rather that ambiguity is itself a product of extrinsic evidence, and so would have allowed extrinsic evidence at all times so long as it was for the purpose of interpretation and not contradiction.

*Id.*

51. See Stephen F. Ross & Daniel Tranen, *The Modern Parol Evidence Rule and Its Implications for New Textualist Statutory Interpretation*, 87 GEO. L.J. 195, 228 (1998).

Llewellyn, in particular, successfully advocated the enforcement of contracts with a minimum number of agreed-upon terms, at the same time that he and others were liberalizing the parol evidence rule to facilitate the admission of extrinsic evidence to prove that the parties actually had a “meeting of the minds” on the relevant issue.

*Id.*

52. *E.g.*, *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448 (Fed. Cir. 1998) (en banc) (Newman, J., joined by Mayer, J., additional views).

Of course the primary source of information concerning the claimed invention is the patent documents. But such documents are directed to persons knowledgeable in the field; additional evidence and expert testimony as to their meaning should be the rule, not the exception. So-called ‘extrinsic’ evidence . . . should be treated like any other evidence, and received and given weight and value as appropriate.

*Id.* at 1481 (Newman, J., joined by Mayer, J., additional views); *e.g.*, *Eastman Kodak Co. v. Goodyear Tire & Rubber Co.*, 114 F.3d 1547, 1555 (Fed. Cir. 1997) (Rader, J., joined by Mayer, J.) (stating that “the testimony of one skilled in the art about the meaning of claim terms at the time of the invention will almost always qualify as relevant evidence”); see also *Fromson v. Anitec Printing Plates, Inc.*, 132 F.3d 1437 (Fed. Cir. 1997) (Newman, J., joined by Mayer and Rader, JJ.) (discussing the importance of extrinsic evidence).

53. See *Revised Uniform Sales Act* § 59 (1941). See generally Clayton P. Gillette, *Courts, Covenants, and Communities*, 61 U. CHI. L. REV. 1375, 1420 (1994) (“Llewellyn’s endorsement of merchant juries in commercial cases, for instance, was largely motivated by his sense that merchants alone would be sufficiently familiar with the specialized use of language and practice in commercial contracts to render verdicts that accurately recited the intentions of the parties.”); Dennis M. Patterson, *Good Faith, Lender Liability*,

Furthermore, the *Markman I* dissenters asserted that the characterization of claim interpretation as a question of law was artificial, and, if forced to affix a label, claim interpretation, if anything, was a mixed question of law and fact. Therefore, they pushed for a bifurcated standard of review, whereby the district court's factual findings would be reviewed deferentially and the ultimate decision on claim scope would be subject to de novo review. Needless to say, the *Markman I* majority, to put it mildly, resisted this line of reasoning and an ideological struggle ensued. In the end, the Federal Circuit had no choice but to address en banc the issue of extrinsic evidence and the proper allocation of interpretive authority.

In *Cybor Corp. v. FAS Technologies, Inc.*,<sup>54</sup> the views of the *Markman I* majority and dissenters found full expression, but, when the dust settled, the former carried the day. The *Cybor* court addressed the *Markman I* dissenters' reliance on *Markman II*'s language that suggested claim interpretation is a mixed question of law and fact<sup>55</sup> and stated that these "characterizations . . . are only prefatory comments demonstrating the Supreme Court's recognition" that the law/fact issue "is not simple or clear cut."<sup>56</sup> The majority in *Cybor* insisted that "[n]othing" in *Markman II* "supports the view that the Court endorsed a silent, third option—that claim construction may involve subsidiary or underlying questions of fact."<sup>57</sup> Indeed, *Markman II* understood the importance of the Federal Circuit's role in "providing national uniformity to the construction of a patent claim."<sup>58</sup> Moreover, according to the *Cybor* majority, the Supreme Court's silence on the standard of review was in fact an implicit affirmation of *Markman I*'s holding that claim interpretation is subject to de novo review: "Accordingly, we today disavow any language in previous opinions of this court that holds, purports to hold, states, or suggests anything to the contrary, see, e.g., *Fromson*, . . . *Eastman Kodak*, . . . *Metaullics* . . . ."<sup>59</sup>

Judges Plager and Bryson each wrote a concurring opinion. Both opinions, although endorsing a de novo standard of review, shied away from the law/fact distinction and adopted more of a process approach. Judge Plager wrote:

On appeal, this court has the benefit of the trial judge's considered view, and the record of the effort made at trial to assist the

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and *Discretionary Acceleration: Of Llewellyn, Wittgenstein, and the Uniform Commercial Code*, 68 TEX. L. REV. 169, 208 n.229 (1989) ("Llewellyn's position on the merchant jury is fundamentally epistemological: he thought laypersons were incapable of judging the reasonableness of commercial practices."); Zipporah Batshaw Wiseman, *The Limits of Vision: Karl Llewellyn and the Merchant Rules*, 100 HARV. L. REV. 465, 512–13 (1987) (discussing rationale behind merchant jury).

54. 138 F.3d 1448 (Fed. Cir. 1998) (en banc).

55. See *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 378, 388 (1996) (stating that claim interpretation is a "mongrel practice" that "falls somewhere between a pristine legal standard and a simple historical fact").

56. *Cybor*, 138 F.3d at 1455.

57. *Id.*

58. *Id.*

59. *Id.* at 1456 (citations omitted).

judge in understanding the terms of the claim. Though we review that record “de novo,” meaning without applying a formally deferential standard of review, common sense dictates that the trial judge’s view will carry weight.<sup>60</sup>

Similarly, Judge Bryson opined: “[W]e approach the legal issue of claim construction recognizing that with respect to certain aspects of the task, the district court may be better situated than we are, and that as to those aspects we should be cautious about substituting our judgment for that of the district court.”<sup>61</sup>

Judges Plager and Bryson appear to be uncomfortable with the characterization of claim construction as one of law.<sup>62</sup> Although they both embrace de novo review, they would employ an institutional competence analysis depending upon the nature of the evidence considered by the district court.<sup>63</sup> These concurrences are important because they try to reconcile de novo review with the institutional superiority of the district court judge as to underlying factual determinations. Indeed, when one looks closely enough, they do not diverge significantly from the position of the *Markman I* dissenters.

In three separate opinions, the *Markman I* dissenters, as expected, took a more pronounced position against the majority. Judge Mayer concurred in the judgment and filed an opinion that was joined by Judge Newman.<sup>64</sup> Judge Rader dissented-in-part, joined-in-part, and concurred in the judgment,<sup>65</sup> and Judge Newman filed “additional views” with which Judge Mayer joined.<sup>66</sup>

In his opinion, Judge Mayer criticized the majority for “profoundly misapprehend[ing]” *Markman II*.<sup>67</sup> First, he asserted that the Supreme Court did not affirm *Markman I*’s formulation of claim construction as a question of law subject to de novo review.<sup>68</sup> Rather, the analysis in *Markman II* was largely focused on the Seventh Amendment issue and the role

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60. *Id.* at 1462. Judge Plager also showed signs of joining the dissenters’ camp when he joined Judge Rader’s “additional views” in *Pitney Bowes v. Hewlett-Packard Co.*, 182 F.3d 1298, 1313–15 (Fed. Cir. 1999).

61. *Cybor*, 138 F.3d at 1463.

62. Concurring opinion stating:

This court’s decision in *Markman I*, reaffirmed today, simply means that we do not spend our and appellate counsels’ time debating whether the trial court’s information base constitutes findings of “fact” or conclusions of “law,” with verbally different standards of review. Instead, both they and we can focus on the question that the trial court addressed, the question that counts: what do the claims mean?

*Id.* at 1462–63 (Plager, J., concurring).

63. *See id.* at 1462 (Plager, J., concurring); *id.* at 1463 (Bryson, J., concurring).

64. *See id.* at 1463–72 (Mayer, J., joined by Newman, J., concurring).

65. *See id.* at 1473–78 (Rader, J.).

66. *See id.* at 1478–81 (Newman, J., additional views).

67. *Id.* at 1463.

68. *See id.* at 1464 (Mayer, J., concurring) (“Though it could have done so easily, the Court chose not to accept our formulation of claim construction: as a pure question of law to be decided de novo in all cases on appeal.”).

of the jury in claim construction.<sup>69</sup> The Supreme Court, in holding that claim construction was solely for the judge, said nothing about the proper standard of review.<sup>70</sup> Therefore, for Judge Mayer, it is incorrect to read *Markman II* as an affirmation of *Markman I*'s characterization of claim interpretation as a question of law reviewed de novo. Second, Judge Mayer asserted that "regardless of the labels we attach to these questions, without the benefit of a full record from the trial court, it is neither the function of this court nor is it within our capacity as an appellate court to adopt new interpretations" because to do so would deprive "the parties of important substantive and procedural mechanisms provided in the trial courts" and "would transform this court into a trial court of first and usually last resort."<sup>71</sup>

For Judge Rader, the virtue of *Markman I* was that it eliminated the jury's susceptible and capricious voice from claim interpretation and that it thereby "promised to improve the predictability and uniformity of patent law."<sup>72</sup> Judge Rader, however, believed that the *Cybor* majority by taking or affirming the additional step of characterizing claim construction as a question of law subject to de novo review "will undermine, if not destroy," the promise of *Markman I* and *II*.<sup>73</sup> Thus, he turned the tables on the majority: Whereas the majority cited certainty and predictability as justifications for its holding, Judge Rader posited that the holding in *Cybor* was a portent of quite the opposite.<sup>74</sup>

In support of this proposition, Judge Rader devoted a significant portion of his opinion to discussing the district court's institutional superiority with respect to claim interpretation.<sup>75</sup> This approach should not come as a surprise because on at least two occasions, Judge Rader has sat by designation as a district court judge in patent infringement proceedings.<sup>76</sup> This experience, no doubt, influenced his perspective on the proper allocation of interpretive authority concerning the issue of claim construction. Judge Rader focused on the "functional approach" of *Markman II* and asserted

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69. See *id.* (Mayer, J., concurring) ("If it had, there would have been no need for its extensive exegesis about the Seventh Amendment and whether juries must construe claims that have evidentiary underpinnings or whether the importance of uniformity is best served by giving these evidentiary questions of meaning to a judge.").

70. Footnote stating:

Rather than bluntly force the square peg of claim construction into the round hole of fact or law, the Court described the questions presented by claim construction in more chary terms. . . . Even a cursory reading of that opinion indicates that the Court meant to determine who should interpret the claims, without mandating a standard of appellate review to be used under all circumstances.

*Id.* at 1464 n.1.

71. *Id.* at 1466.

72. *Id.* at 1473.

73. *Id.* at 1474.

74. See *id.* at 1473.

75. See *id.* at 1477-78 (Rader, J., dissenting).

76. See *Loral Fairchild Corp. v. Victor Co. of Japan, Ltd.*, 931 F. Supp. 1014 (E.D.N.Y. 1996) (Rader, J., sitting by designation); *Ristvedt-Johnson, Inc. v. Brandt, Inc.*, 805 F. Supp. 557 (N.D. Ill. 1992) (Rader, J., sitting by designation).

that a similar approach “might best clarify the roles of trial and appellate benches during claim interpretation.”<sup>77</sup> According to Judge Rader, a judge must “discern the meaning of the claim terms to one of ordinary skill in the art at the time of invention.”<sup>78</sup> Therefore, “claim construction requires assessment of custom and usage in the relevant art” and an “assessment of the understanding of skilled artisans at the time of invention.”<sup>79</sup> Emphasis on “custom and usage” does not mean that the extrinsic record can contradict or be inconsistent with the intrinsic record.<sup>80</sup> Rather, it means that testimony from a person of ordinary skill in the art should be embraced and given appropriate weight. With that in mind, consider the following:

[T]he trial judge enjoys a potentially superior position to engage in claim interpretation . . . [because] [t]rial judges can spend hundreds of hours reading and rereading all kinds of source material, receiving tutorials on technology from leading scientists, formally questioning technical experts and testing their understanding against that of various experts, examining on site the operation of the principles of the claimed invention, and deliberating over the meaning of the claim language. . . . An appellate court has none of these advantages.<sup>81</sup>

In addition, concomitant to the institutional advantages a district court judge enjoys with respect to expert testimony, there is a temporal benefit. Greater deference to the district court will lead to early certainty and resolution of claim scope, which in turn, may induce early settlement.<sup>82</sup> According to Judge Rader, a *de novo* standard of review discourages parties from settling because they are fully aware of the likelihood that the Federal Circuit will reverse the district court’s claim construction.<sup>83</sup> Thus, the *Cybor*

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77. *Cybor*, 138 F.3d at 1477.

78. *Id.* at 1475. As Judge Newman succinctly put it, “patent documents are written by and for persons in the field of the invention, not for judges.” *Id.* at 1480.

79. *Id.* at 1478.

80. *See id.* at 1475. Judge Rader is careful to remain faithful to the intrinsic record. For example, he states “this relevant [expert] testimony must not conflict with or attempt to trump contemporaneous intrinsic evidence from the patent document itself.” *Id.* at 1475. This assertion begs the question: where is the line between extrinsic evidence that aides in discerning claim meaning and that which contradicts? I believe the answer is when the judge, assisted by an independent court-appointed expert, has an understanding of what the claim language means, he is now in a position to determine if the extrinsic evidence is being offered to contradict the claim meaning.

81. *Id.* at 1477.

82. *See id.* at 1475.

83. *See id.* at 1477. According to Judge Rader:

[O]ne study shows that the plenary standard of review has produced reversal, in whole or in part, of almost 40% of all claim constructions since *Markman I*. A reversal rate in this range reverses more than the work of numerous trial courts; it also reverses the benefits of *Markman I*. In fact, this reversal rate, hovering near 50%, is the worst possible. Even a rate that was much higher would provide greater certainty.

*Id.* at 1476. These figures were based on a survey of every Federal Circuit patent decision rendered between April 5, 1995 (the date *Markman I* was decided) and November 24, 1997. *See id.* at 1476 n.4. The total number of cases was 246, of which 141 expressly reviewed the claim interpretation of the lower tribunal (i.e., district courts, Board of Patent Appeals and Interferences, and the Court of Federal Claims). *See id.* Of the 141 cases, the Federal Circuit reversed the lower tribunal’s claim construction, in whole or in part, “54 or 38.3%.” *Id.* The appellate court reversed the claim interpretation of the district courts and the

majority's reading of *Markman I* "means that the trial court's early claim interpretation provides no certainty at all, but only opens the bidding."<sup>84</sup>

Also weighing in against the majority was Judge Newman. Her "additional views" bemoaned the uncertainties brought about by *Markman I*'s de novo review.<sup>85</sup> Judge Newman both endorsed the process considerations emphasized by Judge Rader and focused on the role of the artisan in claim interpretation.<sup>86</sup> With respect to the former, Judge Newman asserted that the majority's holding that claim interpretation does not entail fact-finding amounted to a "fiction."<sup>87</sup> In fact, she posited that the entire "fact/law theory" of *Markman I* was an "artificial construct" that created a zero sum game that enhanced the power of the appellate judge at the expense of the trial judge.<sup>88</sup> *Markman II*, according to Judge Newman, "did not shut out the trial judge along with the jury";<sup>89</sup> rather, the Supreme Court "opened the door" for the Federal Circuit to retreat from this false "fact/law" dichotomy.<sup>90</sup>

Judge Newman proceeded to discuss the benefits of expert testimony to claim interpretation.<sup>91</sup> Like Judge Rader, she emphasized that claim meaning must be discerned by asking what a person of ordinary skill in the art would understand the claim to mean at the time the claim language was drafted.<sup>92</sup> Expert testimony is crucial to this determination, and the majority's constraints on the use of such testimony was an "unnecessary bar to enlightenment."<sup>93</sup> Judge Newman maintained that expert testimony should be considered, *regardless of whether ambiguity exists*:<sup>94</sup>

Of course the primary source of information concerning the claimed invention is the patent documents. But such documents are directed to persons knowledgeable in the field; *additional evidence and expert testimony as to their meaning should be the rule, not the exception*. So-called "extrinsic" evidence . . . should be treated like any other evidence, and received and given weight and value as appropriate.<sup>95</sup>

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Court of Federal Claims "47 out of 126 or 37.3%." *Id.*; see also *TM Patents, L.P. v. IBM*, 72 F. Supp. 2d 370, 377 n.1 (S.D.N.Y. 1999) ("Given the frequency with which the Federal Circuit overrules District Court judges on issues of claim interpretation . . . [interlocutory] appeals would save millions of dollars and thousands of hours of trial time based on patent constructions that turn out to be erroneous.").

84. *Cybor*, 138 F.3d at 1476.

85. *Id.* at 1479–81.

86. See *id.* at 1480.

87. *Id.*

88. *Id.*

89. *Id.* at 1480.

90. *Id.*

91. See *id.*

92. See *id.*

93. *Id.* at 1481 (Newman, J., additional views).

94. See *id.* at 1480 (Newman, J., additional views). "The Federal Circuit's ruling that extrinsic evidence must be restricted unless there is a facial ambiguity in the meaning of the claim is an unnecessary restraint on potentially useful evidence." *Id.* (Newman, J., additional views).

95. *Id.* at 1481 (Newman, J., additional views) (emphasis added); see also E. ALLAN FARNSWORTH, *CONTRACTS* § 7.10 (2d ed. 1990) ("Since the purpose of [contract interpretation] . . . is to ascertain the

Similar to Judge Rader's assertion in *Eastman Kodak* that "the testimony of one skilled in the art about the meaning of claim terms at the time of the invention will almost *always* qualify as relevant evidence,"<sup>96</sup> Judge Newman would place expert testimony on equal footing with the intrinsic record.<sup>97</sup> By considering extrinsic evidence before a finding of textual ambiguity, Judges Newman and Rader recognize that meaning is a "function[] not of texts but of situations in which we read them."<sup>98</sup>

With strained reasoning, the *Cybor/Markman I* majority are forced to manufacture legal fictions, whether it be characterizing claim interpretation as a pure question of law, establishing an intrinsic-ambiguity requirement before expert testimony can be considered, or permitting the use of expert testimony only as an educational tool. These fictions were devised and are maintained in the name of certainty, uniformity, and predictability; ironically, however, the result has been more uncertainty.<sup>99</sup> Nevertheless, the formalism of *Cybor* and *Markman I* is here to stay, at least for the foreseeable future. Thus, the question becomes: How can early certainty and uniformity be achieved within the *Cybor/Markman I* framework?

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meaning to be given to the language, there should be no requirement that the language be ambiguous, vague, or otherwise uncertain before the inquiry is undertaken."); Michaels, *supra* note 50, at 30 ("For one thing, . . . the decision that a text is ambiguous cannot be made prior to the introduction of extrinsic evidence.").

96. *Eastman Kodak Co. v. Goodyear Tire and Rubber Co.*, 114 F.3d 1547, 1555 (Fed. Cir. 1997) (emphasis added).

97. In a post-*Cybor* opinion, Judge Newman, in perhaps her strongest language to date, again stressed the importance of extrinsic evidence:

The panel majority, having rejected the expert testimony adduced at the trial on the ground that it is "extrinsic," excludes itself from access to this evidence and whatever scientific truth it comports.

I believe it is seriously incorrect to foreclose consideration of such "extrinsic" evidence. It is increasingly recognized that courts must be enabled and encouraged to receive and understand the guidance of experts. The scientific witnesses for both sides agreed as to the uncertainties of this chemistry and the ensuing ambiguity of interpretation of the claims in light of the state of the art when the invention was made. This court's refusal to consider the evidence of experts for both sides . . . is not the path to enlightenment on the complexities of polymer chemistry and technology. Judicial doubt can not be resolved by exclusion of the evidence that explains the scientific issues.

*Phillips Petroleum Co. v. Huntsman Polymers Corp.*, 157 F.3d 866, 878–79 (Fed. Cir. 1998) (Newman, J., concurring in judgment).

98. Michaels, *supra* note 50, at 33; see also FARNSWORTH, *supra* note 95, § 7.10, at 511–14; E. Allan Farnsworth, "Meaning" in the *Law of Contracts*, 76 *YALE L.J.* 939, 957–63 (1967).

99. In bemoaning the "disappointed expectations" of *Markman I*, Judge Newman has written that the Federal Circuit has engaged in "creative *de novo* claim interpretations" on appeal. According to Judge Newman, "[t]his unpredictability in administration of the law of patent claiming has added a sporting element to our bench." *Cybor*, 138 F.3d at 1479 (emphasis added); see also *supra* note 83 (discussing the reversal rate of district court claim interpretations).

II. CONFRONTING *MARKMAN* ON ITS OWN TERMSA. *Interlocutory Appeals: An Idea Whose Time Has Come*

The Federal Circuit has exclusive subject matter jurisdiction over appeals arising from patent cases,<sup>100</sup> and therefore, the court has exclusive jurisdiction over interlocutory orders that arise from the same.<sup>101</sup> Although interlocutory appeals are not granted as of right on the issue of claim interpretation, the Federal Circuit may, “in its discretion,” grant such an appeal if the district court initially certifies the interlocutory order.<sup>102</sup> However, the Federal Circuit, without explanation,<sup>103</sup> has thus far refused to exercise its discretion and grant an interlocutory appeal on the issue of claim interpretation.<sup>104</sup> This reluctance may simply reflect the more general fact that interlocutory appeals pursuant to § 1292(b) are rarely granted.<sup>105</sup> As claim interpretation is almost invariably dispositive of validity and infringement,<sup>106</sup> however, the court’s reluctance to grant interlocutory appeals is somewhat curious given the importance of early certainty and uniformity in patent law. Moreover, an interlocutory appeal may encourage settlement

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100. See 28 U.S.C. § 1295(a) (1994).

101. See *id.* § 1292(c) (stating that the Federal Circuit has exclusive jurisdiction “of an appeal from an interlocutory order or decree described in” § 1292(a) or (b) “over which the court would have jurisdiction of an appeal under” § 1295); see also *Elec. Data Sys. Fed. Corp. v. Gen. Servs. Admin. Bd. of Contract Appeals*, 792 F.2d 1569, 1574 (Fed. Cir. 1986).

102. 28 U.S.C. § 1292(b).

103. In declining to grant an interlocutory appeal, the court simply cites the legislative history of 28 U.S.C. § 1292(b), which states that:

The granting of the appeal is also discretionary with the court of appeals which may refuse to entertain such an appeal in much the same manner that the Supreme Court today refuses to entertain applications for writs of certiorari.

It should be made clear that if application for an appeal from an interlocutory order is filed with the court of appeals, the court of appeals may deny such an application without specifying the grounds upon which such a denial is based.

S. REP. NO. 85-2434, at 3 (1959), reprinted in 1958 U.S.C.C.A.N. 5255, 5257; see also *In re Convertible Rowing Exerciser Patent Litig.*, 903 F.2d 822, 822 (Fed. Cir. 1990).

104. As noted by Judge Newman in *Cybor*:

Although the district courts have extended themselves, and so-called “*Markman* hearings” are common, this has not been accompanied by interlocutory review of the trial judge’s claim interpretation. The Federal Circuit has thus far declined all such certified questions. . . . [This decision results in] two untoward consequences; first, the district court has had to conduct a perhaps unnecessary trial; and second, the eventual issuance of a new claim interpretation by the Federal Circuit, on appeal after final judgment, has sometimes required a second trial of the issue of infringement.

*Cybor*, 138 F.3d at 1479 (Newman, J., additional views); see also *Schering Corp. v. Amgen, Inc.*, 35 F. Supp. 2d 375, 377 (D. Del. 1999) (“The Federal Circuit disfavors direct appeals from *Markman* decisions.”). The Federal Circuit has made an exception where the losing party on claim interpretation concedes that it cannot win on liability. See *id.*

105. See 28 U.S.C. § 1292(b) (1994); Howard B. Eisenberg & Alan B. Morrison, *Discretionary Appellate Review of Non-Final Orders: It’s Time to Change the Rules*, 1 J. APP. PRAC. & PROCESS 285, 292 (1999) (“[C]ourts of appeals decline to hear approximately two-thirds of the cases certified by district courts for interlocutory appeal.”); Michael E. Solimine, *Revitalizing Interlocutory Appeals in the Federal Courts*, 58 GEO. WASH. L. REV. 1165, 1193 (1990) (asserting that “[m]uch of the blame is attributable to the narrow construction given the statute by some courts, as well as the fear that relaxing the use of the statute will open the floodgates to appeals”).

106. See *supra* note 3.

and, at the very least, save the parties and the district court a great deal of time and expense, particularly in the light of the Federal Circuit's propensity to reverse the district court's claim interpretations.<sup>107</sup>

Although the district judge, in his discretion, must first certify the interlocutory order on claim interpretation before the Federal Circuit can entertain the appeal,<sup>108</sup> the problem is not district court certification. In fact, given the *de novo* standard of review for claim interpretation, district judges, who construe claims after a *Markman* hearing, appear to be more than willing to certify their claim construction for an interlocutory appeal. As Judge McMahon aptly stated in *TM Patents, L.P. v. IBM*:<sup>109</sup>

[S]o final is a *Markman* ruling that one could make a strong case for routinely certifying an interlocutory appeal to the Federal Circuit, pursuant to 28 U.S.C. § 1292(b), following such determinations. Given the frequency with which the Federal Circuit overrules District Court judges on issues of claim interpretation, such appeals would save millions of dollars and thousands of hours of trial time based on patent constructions that turn out to be erroneous.<sup>110</sup>

This willingness is consistent with the three certification requirements of § 1292(b).<sup>111</sup> For instance, certification requires that the district court judge find that the order (1) “involves a controlling question of law [(2)] as to which there is substantial ground for difference of opinion and [(3)] that an immediate appeal from the order may materially advance the ultimate termination of the litigation.”<sup>112</sup> Although “in practice the courts treat the statutory criteria as a unitary requirement”<sup>113</sup> to underscore the appropriateness of certifying claim interpretation for interlocutory appeal, it is helpful to look at these criteria separately.

First, claim interpretation is most likely a “controlling question of law” due to the dispositive nature of claim meaning, and an “incorrect” interpretation would most likely require a reversal of a final judgment on the issues of validity and infringement.<sup>114</sup> Second, the Federal Circuit's reversal rate of district court claim constructions suggests that the issue of claim interpre-

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107. See *supra* note 83.

108. See *Green v. Occidental Petroleum Corp.*, 541 F.2d 1335, 1338 (9th Cir. 1976).

[S]ection 1292(b) requires that the district judge be “of the opinion” that the criteria for section 1292(b) appeal are met, and vests the Court of Appeals with discretion to permit the appeal. Concurrence of both the district court and the appellate court is necessary and we are without power to assume unilaterally an appeal under section 1292(b).

*Id.* (citation omitted).

109. 72 F. Supp. 2d 370 (S.D.N.Y. 1999).

110. *Id.* at 377 n.1; see also 16 CHARLES ALAN WRIGHT ET AL., FEDERAL PRACTICE AND PROCEDURE § 3930, at 416 (2d ed. 1996) (“The advantages of immediate [interlocutory] appeal increase with the probabilities of prompt reversal, the length of the district court proceedings saved by reversal of an erroneous ruling, and the substantiality of the burdens imposed on the parties by a wrong ruling.”).

111. See 28 U.S.C. § 1292(b) (1994).

112. *Id.*

113. 19 JAMES WM. MOORE, MOORE'S FEDERAL PRACTICE § 203.31[1], at 203-86 (3d ed. 1997).

114. See WRIGHT ET AL., *supra* note 110, § 3930, at 423 (“There is no doubt that a question is ‘controlling’ if its incorrect disposition would require reversal of a final judgment . . .”); see also Note, *Interlocutory Appeals in the Federal Courts Under 28 U.S.C. § 1292(b)*, 88 HARV. L. REV. 607, 618-24 (1975).

tation usually gives rise to a “substantial difference of opinion,” at least between the district court and the Federal Circuit.<sup>115</sup> Lastly, and closely related to the “controlling question of law” criterion, an interlocutory appeal of a claim interpretation would, more often than not, “materially advance the ultimate termination of the case,”<sup>116</sup> particularly after a *Markman* hearing where the parties file briefs, present oral arguments, and construct established facts. If the Federal Circuit were to entertain an interlocutory appeal, the issues of validity and infringement would become much clearer, so much so that the parties may be induced to settle.<sup>117</sup>

Of course, the district court’s certification of a discretionary interlocutory appeal does not compel the Federal Circuit to hear the appeal,<sup>118</sup> rather, certification merely allows the petitioner to file a petition with the Federal Circuit seeking permission to hear the appeal.<sup>119</sup> Although the certification criteria do not apply to the Federal Circuit, one has to wonder what the court does consider when exercising its discretion. It would seem that the certification criteria, at least as a practical matter, are as applicable to the Federal Circuit as they are to the district court. Yet, as the Federal Circuit has not provided a reason for its refusal to entertain an interlocutory order on the issue of claim interpretation, one can only speculate about the reason, as Judge Schwartz did in *Schering Corp. v. Amgen, Inc.*<sup>120</sup>

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115. This criterion is rarely an obstacle to certification. See WRIGHT ET AL., *supra* note 110, § 3930, at 423. (“Of the three statutory criteria, the one requiring substantial ground for difference of opinion has caused the least difficulty.”).

116. See MOORE, *supra* note 113, § 203.31[3], at 203-90 to 203-91.

Because the courts treat the statutory criteria for discretionary appeals in a unitary manner, they look for a “controlling” question that has a potential of substantially accelerating disposition of the litigation. Thus a court will require only that the appeal present a controlling question of law on an issue whose determination may materially advance the ultimate termination of the case.

*Id.*

117. See *Cybor Corp. v. FAS Tech., Inc.*, 138 F.3d 1448, 1475–76 (Fed. Cir. 1998) (Rader, J., dissenting).

From the patent practitioner’s standpoint, this court’s enthusiastic assertion of its unfettered review authority has the potential to undercut the benefits of *Markman I*. *Markman I* potentially promised to supply early certainty about the meaning of a patent claim. This certainty, in turn, would prompt early settlement of many, if not most, patent suits. Once the parties know the meaning of the claims, they can predict with some reliability the likelihood of a favorable judgment, factor in the economics of the infringement, and arrive at a settlement to save the costs of litigation. *Markman I* promised to provide this benefit early in the trial court process. To provide fairness under the *Markman I* regime, trial judges would provide claim interpretations before the expense of trial. Patent practitioners would then be armed with knowledge of the probable outcome of the litigation and could facilitate settlement.

*Id.* (footnote omitted); see also WRIGHT ET AL., *supra* note 110, § 3930, at 439.

All of these determinations as to what constitutes a controlling question of law, or material advancement of ultimate termination, are compatible with the conclusion that § 1292(b) is designed to permit interlocutory appeals only for the purpose of minimizing the total burdens of litigation on parties and the judicial system by accelerating or at least simplifying trial court proceedings.

*Id.*

118. See 28 U.S.C. § 1292(b) (1994).

119. See *id.*; see also *In re Convertible Rowing Exerciser Patent Litig.*, 903 F.2d 822, 822 (Fed. Cir. 1990).

120. 35 F. Supp. 2d 375 (D. Del. 1999).

In *Schering*, Judge Schwartz noted that the “Federal Circuit disfavors direct appeals from *Markman* decisions,” yet the court “has decided appeals from judgments that were entered based on a party’s concession that it cannot succeed under the [district court’s] claim interpretation.”<sup>121</sup> According to Judge Schwartz, perhaps the reason the Federal Circuit disfavors interlocutory review of *Markman* decisions is because of “the parties’ intensity of preference for challenging adverse claim construction decisions.”<sup>122</sup> Judge Schwartz continued:

[I]f a party must first consent to a final judgment of noninfringement, it will only challenge a claim construction decision when it concludes it cannot prove infringement under the claim interpretation. By denying interlocutory appeals, the Federal Circuit will only hear appeals from adverse claim construction decisions where the party concludes its case is irreparably harmed by the lower court’s claim interpretation.<sup>123</sup>

The losing party on claim interpretation, however, will most likely appeal after final judgment anyway—when district court and party resources have been expended<sup>124</sup>—knowing full well that de novo review awaits.<sup>125</sup> If the Federal Circuit grants an interlocutory appeal, the losing party, after the district court’s final judgment, will be precluded, based upon law of the case,<sup>126</sup> from appealing the Federal Circuit’s interlocutory decision. Thus, significant resources may be conserved, and the parties may be induced to settle.

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121. *Id.* at 377.

122. *Id.* at 377 n.2.

123. *Id.*

124. Some commentators have noted that the Federal Circuit’s failure to grant interlocutory review means that “district courts have had to conduct unnecessary trials and sometimes have had to conduct a second trial after the claim is interpreted on appeal after final judgment.” Constance S. Huttner et al., *Markman Practice, Procedures and Tactics*, in *PATENT LITIGATION 1998*, at 558 (PLI Patents, Copyrights, Trademarks & Literary Prop. Course Handbook Series No. 531, 1998); see also Gasparo, *supra* note 7, at 761–62 (asserting the *Markman* hearings “should be held before trial and coupled with a quick appellate review of the claim construction in order to circumvent any further inefficiency that may result from proceeding via a wrong construction”).

125. Of course, a losing party on claim interpretation will not always appeal to the Federal Circuit—these parties may settle for a number of reasons or may simply decide not to pursue an appeal. However, in light of de novo review and the high reversal rate, it is reasonable to infer that a losing party has a strong incentive to appeal. See Lee & Krug, *supra* note 6, at 69.

[I]t now appears that *Markman* has had the unintended effect of prolonging the litigation process rather than promoting settlement. The uncertainty that attaches to claim construction due to the Federal Circuit’s record of reversing a large percentage of claim interpretations on appeal often leads the parties to proceed with the trial in order that the Federal Circuit may review the district court’s interpretation.

*Id.*

126. “Law of the case” is a judicially created doctrine based on judicial efficiency. As the Federal Circuit has noted, the doctrine’s “elementary logic is matched by elementary fairness—a litigant given one good bite of the apple should not have a second.” *Perkin-Elmer Corp. v. Computervision Corp.*, 732 F.2d 888, 900 (Fed. Cir. 1984). To state it somewhat less colloquially, “[u]nder law of the case, . . . a court will generally refuse to reopen or reconsider what has already been decided at an earlier stage of the litigation.” *Suel v. Sec’y of Health and Human Servs.*, 192 F.3d 981, 985 (Fed. Cir. 1999).

I am not suggesting that the Federal Circuit's caseload will not increase,<sup>127</sup> but it seems to me that the court has a unique obligation as the self-proclaimed arbiter of claim meaning to hear *Markman* orders, particularly when one considers that the benefits of hearing interlocutory orders on claim construction far outweigh the costs associated therewith. In other words, the Federal Circuit should realize that the efficiency considerations of the final judgment rule must give way to the salutary effects of interlocutory appeals. To encourage early certainty, the court has a procedural choice: the court can either employ a considerably narrower standard of review after final judgment or maintain its current de novo standard and grant an interlocutory appeal. The Federal Circuit cannot have it both ways. As this essay assumes, under the *Cybor* en banc decision, de novo review is here to stay. While I would like to think that my urging the court to entertain interlocutory appeals pursuant to § 1292(b) will have some effect, I am less than sanguine to say the least. So what should be done?

In 1988, Congress created the Federal Courts Study Committee<sup>128</sup> to "make a complete study of the courts of the United States."<sup>129</sup> The Committee made the following recommendation to Congress:

To deal with difficulties arising from definitions of an appealable order, Congress should consider delegating to the Supreme Court the authority under the Rules Enabling Act to define what constitutes a final decision for purposes of 28 U.S.C. § 1291, and to define circumstances in which orders and actions of district courts not otherwise subject to appeal under acts of Congress may be appealed to the courts of appeals.<sup>130</sup>

Congress took heed and in 1990 added subsection (c) to 28 U.S.C. § 2072,<sup>131</sup> which authorizes the Supreme Court to define a "final" decision under 28 U.S.C. § 1291.<sup>132</sup> In 1992, Congress added subsection (e) to 28 U.S.C. § 1292,<sup>133</sup> which grants the Court the power to create new categories of interlocutory appeals.<sup>134</sup>

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127. Some commentators have suggested that the "floodgates" concern has been exaggerated. See Solimine, *supra* note 105, at 1193.

128. See Federal Courts Study Act, 28 U.S.C. § 331 (1994).

129. FEDERAL COURTS STUDY COMM., 100TH CONG., REPORT OF THE FEDERAL COURTS STUDY COMMITTEE 31 (Comm. Print 1990).

130. *Id.* The Committee went on to state that this rulemaking authority "would include authority both to change (by broadening, narrowing, or systematizing) decisional results under the finality rule of 28 U.S.C. § 1291 and to add to—but not subtract from—the list of categories of interlocutory appeal permitted by Congress in 28 U.S.C. § 1292." *Id.* at 96.

131. See Judicial Improvements Act of 1990, Pub. L. No. 101-650, § 315, 104 Stat. 5115 (1990).

132. See 28 U.S.C. § 2072(a) (1994). Under 28 U.S.C. § 2072, the Rules Enabling Act, the Supreme Court has "the power to prescribe general rules of practice and procedure and rules of evidence for cases in the United States district courts . . . and courts of appeals." *Id.* Subsection (c), added in 1990, states that "[s]uch rules may define when a ruling of a district court is final for the purposes of appeal under section 1291 of [title 28]." *Id.* § 2072(c).

133. See Federal Courts Administration Act of 1992, Pub. L. No. 102-572, § 101, 106 Stat. 4506 (1992).

134. See 28 U.S.C. § 1292(e) ("The Supreme Court may prescribe rules, in accordance with section 2072 of this title, to provide for an appeal of an interlocutory decision to the courts of appeals that is not otherwise provided for under subsection (a), (b), (c), or (d)."). Since its enactment, the Supreme Court has

What I offer for consideration, therefore, is that pursuant to the Rules Enabling Act, the Supreme Court promulgate a rule *specifically* making a *Markman* decision appealable either (1) as of right or (2) as a matter of discretion.<sup>135</sup>

1. *Making Markman Decisions Appealable as of Right*

This proposal would permit the losing party to appeal a *Markman* order as of right and would be an exception to the final judgment rule in patent law. This rule holds that a decision in a patent infringement proceeding is final only upon the conclusion of an accounting.<sup>136</sup> The as-of-right proposal, however, is not as radical as one might initially believe. In fact, to find support for making *Markman* orders appealable as of right, one need not leave the procedural world of patent law or, for that matter, § 1292 of title 28. Section 1292(c)(2) creates an exception to the final judgment rule and permits a decision on patent infringement and validity to be appealed as of right *before* an accounting is completed.<sup>137</sup> The rationale for this provision, equally applicable to the issuance or denial of injunctions,<sup>138</sup> stresses the need to avoid the great expense associated with accountings and the loss that would result if the district court's judgment on liability were reversed. As noted by the Supreme Court:

The House Committee on Patents expressed the belief that the legislation "is needed to prevent a great burden of expense to litigants in actions to determine the validity of patents, where an accounting is involved. Under present procedure appeals may be taken from the interlocutory decree upholding the patent but not until a full accounting has been made to the court. Under this bill such appeal can be taken from such interlocutory decree . . . so as to obviate the cost of an accounting in the event the case is reversed on appeal."<sup>139</sup>

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on only one occasion exercised its authority pursuant to 1292(e) by promulgating FED. R. CIV. P. 23(f). See FED. R. CIV. P. 23(f) advisory committee note.

135. Although decisions from *Markman* hearings are presently appealable as a matter of discretion under § 1292(b), I am advocating a specific provision devoted exclusively to *Markman* decisions. The hope is that, while retaining appellate discretion, a specific provision would put greater pressure (more so than § 1292(b)) on the Federal Circuit to hear *Markman* appeals. See *infra* notes 136–41 and accompanying text.

136. See *John Simmons Co. v. Grier Bros.*, 258 U.S. 82, 89 (1922) (accounting necessary for "conclusion upon the merits"); *Mendenhall v. Barber-Greene Co.*, 26 F.3d 1573, 1581 (Fed. Cir. 1994) (asserting that a decision is "not final until the conclusion of the accounting").

137. See 28 U.S.C. § 1292(c)(2) (giving the Court of Appeals for the Federal Circuit exclusive jurisdiction "of an appeal from a judgment in a civil action for patent infringement which would otherwise be appealable to the United States Court of Appeals for the Federal Circuit and is final except for an accounting").

138. See *Mendenhall*, 26 F.3d at 1581 n.12 ("We note that an interlocutory appeal from a permanent injunction, to the extent that it considers questions of validity and infringement . . . is *identical* in substance to an appeal brought under § 1292(c)(2)."); see also 28 U.S.C. § 1292(a)(1), (c)(1).

139. *McCullough v. Kammerer Corp.*, 331 U.S. 96, 98 n.1 (1947) (citation omitted); see also *Mendenhall*, 26 F.3d at 1581 ("The purpose of § 1292(c)(2) is to permit district courts to stay and possibly avoid a burdensome determination of damages."); *In re Calmar, Inc.*, 854 F.2d 461, 463–64 (Fed. Cir. 1988).

This rationale carries as much force, if not more, when applied to interlocutory appeals of *Markman* orders. As noted above, interlocutory resolution of claim interpretation will materially advance the termination of litigation by clarifying the metes and bounds of the patentee's proprietary boundaries. By imbuing certainty early in the litigation process and given the dispositive nature of claim interpretation, the chances of settlement will most likely increase, thereby avoiding a costly trial on liability. Indeed, the expense associated with proving or disproving liability will most likely exceed that of an accounting.

Moreover, just like liability is fixed after judgment, claim meaning is locked-in after a *Markman* order—immutable for the remainder of the trial. As Judge William Young once informed litigants after a *Markman* ruling, “[y]ou’ve got the claim construction, you’re going to have to live with it.”<sup>140</sup> A patentee may of course lose on claim interpretation and win on liability, but the meaning of the claims will remain the same throughout the litigation.

This proposal may appear a bit heavy handed, but it may also prove necessary due to the Federal Circuit's reluctance to entertain interlocutory appeals on the issue of claim interpretation. The most significant problem with the as-of-right interlocutory appeal is not the change to patent litigation it would usher in *ex post*—that is, in fact, its strength. The problem is prompting the necessary rulemaking authorities to promulgate such a rule in the first place. The change that I suggest would require judges, who sit on the various committees empowered to enact procedural change, to limit or remove the discretion enjoyed by fellow judges. This may be asking for too much, too early. The most pragmatic approach may be a cautious one. Instead of initially pushing for as-of-right interlocutory appeals, perhaps it would be best to retain judicial discretion, while, at the same time, making it psychologically more difficult for the Federal Circuit to deny interlocutory appeals on the issue of claim interpretation.

## 2. *Specifically Making Markman Decisions Appealable as a Matter of Discretion*

This approach envisions a rule specifically permitting the Federal Circuit to grant an interlocutory appeal on the issue of claim interpretation. Unlike the present § 1292(b), this rule would be specifically directed towards *Markman* orders and thus provide the court with a tailor-made provision. I would pattern the language of such a rule on extant Rule 23(f) of the Federal Rules of Civil Procedure. The envisioned rule would read:

The United States Court of Appeals for the Federal Circuit may in its discretion permit an appeal from a *Markman* order of a district court interpreting patent claim language, if application is made within ten days after entry of the order. An appeal does stay the

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140. *TM Patents, L.P. v. IBM*, 72 F. Supp. 2d 370, 377 (S.D.N.Y. 1999).

proceedings in the district court unless the district court or Federal Circuit orders otherwise.<sup>141</sup>

This suggestion may seem like a wishy-washy response to the problem I identified above, but a certain psychology exists to judging. Unlike the general language of § 1292(b), the proposed rule exerts more pressure on the Federal Circuit because of the specificity of the language. The rule only applies to *Markman* orders and its promulgation is a direct response to the court's unwillingness to hear interlocutory appeals on claim interpretation. If the Federal Circuit persists in refusing to hear interlocutory appeals, this reluctance gives reformers firmer ground upon which to argue that the court's discretion in this regard should be limited or removed.

### B. *Issue Preclusion as a Means of Promoting Uniformity*

Proponents of *Markman I* and *Cybor* point to the following scenario for application of de novo review. A plaintiff, who received a favorable claim construction in a prior litigation, wants to offensively estop a new and independent defendant in a subsequent litigation from asserting a different claim construction of the same claim language that was the subject of the prior litigation.<sup>142</sup> Because issue preclusion is unavailable here,<sup>143</sup> it is plausible that the two district court judges will arrive at dissimilar claim interpretations based upon their understanding of the extrinsic evidence. A more deferential standard of review, the argument goes, may lead to the affirmance of these two divergent interpretations, particularly where there is disagreement within the technological community as to the meaning of the claim language in question. Thus, in the event the subsequent district court were to reach a different claim construction than the prior district court, it would be appropriate, in the name of uniformity, for the Federal Circuit to step in and choose which of the two interpretations should prevail. This situation reflects the Federal Circuit's institutional uniqueness as *the* appellate patent court.

But the Federal Circuit's uniqueness is largely irrelevant in a situation where the new and independent defendant asserts issue preclusion against the patentee in a subsequent litigation. Under this scenario, the doctrine of issue preclusion fosters uniformity at the district court level. The application of issue preclusion in the context of claim interpretation is consistent

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141. Perhaps the best place for such a rule would be in present Rule 54 of the Federal Rules of Civil Procedure.

142. See *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 391 (1996).

[W]hereas issue preclusion could not be asserted against new and independent infringement defendants even within a given jurisdiction, treating interpretive issues as purely legal will promote (though it will not guarantee) intrajurisdictional certainty through the application of *stare decisis* on those questions not yet subject to interjurisdictional uniformity under the authority of the single appeals court.

*Id.*

143. It is unavailable because the new and independent defendant was unable to represent his interests in the prior litigation.

with *Markman II*. Recall Justice Souter's language that "principles of issue preclusion . . . ordinarily foster uniformity."<sup>144</sup> Thus, the Supreme Court envisioned that the Federal Circuit would promote uniformity in claim construction when issue preclusion is *unavailable* as where the patentee seeks to assert issue preclusion against a new and independent defendant.

The application of the doctrine of issue preclusion in the context of claim interpretation is nicely illustrated in *TM Patents, L.P. v. IBM*.<sup>145</sup> There, the patentee, TM Patents, brought a patent infringement suit against IBM in the Southern District of New York alleging that IBM infringed TM's '979, '342, and '773 patents.<sup>146</sup> Judge McMahon held a *Markman* hearing<sup>147</sup> to construe the relevant claim language of all three patents. A few years prior to the New York litigation, however, TM sued EMC Corporation in a separate patent infringement proceeding in the District Court of Massachusetts. In the Massachusetts case, Judge William Young also held a *Markman* hearing and construed some of the same claim language of the '342 patent that TM asserted in the New York litigation.<sup>148</sup> A final judgment was never issued in the TM/EMC litigation because the parties settled before the jury returned a verdict on the issue of infringement.<sup>149</sup> Nevertheless, IBM argued that TM was collaterally estopped from relitigating the claim language that Judge Young construed in the Massachusetts litigation.<sup>150</sup> Although recognizing that no case had yet to apply the doctrine of collateral estoppel to bar relitigation of claim construction, Judge McMahon agreed with IBM, stating that the application of collateral estoppel here "seems self-evident."<sup>151</sup>

The disagreement centered around the "finality" of the prior judgment.<sup>152</sup> TM strenuously asserted that the Massachusetts claim construction was not subject to collateral estoppel because the case settled during trial and Judge Young's "rulings were not sufficiently 'final' to be deemed preclusive."<sup>153</sup> Judge McMahon was not persuaded:

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144. *Markman*, 517 U.S. at 391 (citing *Blonder-Tongue Lab., Inc. v. Univ. of Ill. Found.*, 402 U.S. 313 (1971)).

145. 72 F. Supp. 2d 370 (S.D.N.Y. 1999) (using the term "collateral estoppel" instead of "issue preclusion"); see also *Abbott Labs. v. Dey L.P.*, 110 F. Supp. 2d 667, 670 (N.D. Ill. 2000) (citing *TM Patents* and applying issue preclusion to claim interpretation). But see *Graco Children's Prods., Inc. v. Regalo Int'l, LLC*, 77 F. Supp. 2d 660 (E.D. Pa. 1999) (choosing not to follow *TM Patents*).

146. See *Graco*, 72 F. Supp. 2d at 374.

147. For a discussion on *Markman* hearings, see *supra* note 7.

148. See *TM Patents*, 72 F. Supp. 2d at 375.

149. See *id.*

150. See *id.*

151. *Id.* at 376. Judge McMahon stated:

While this raises an issue of first impression, I conclude that Judge Young's resolution of the meaning of certain disputed patent terms following a *Markman* hearing, at which TM had a full and fair opportunity to litigate the meaning of those terms, is binding on the Plaintiffs in this action.

*Id.* at 375.

152. Judge McMahon collapsed elements two and four because "in this particular case, the fourth element (finality) subsumes the second (actually decided)." *Id.* at 375.

153. *Id.*

Unfortunately for TM, that is not the law in this Circuit (or any other, for that matter). Since Judge Friendly's seminal opinion in *Lummus Co. v. Commonwealth Oil Ref. Co.*, it has been settled that a judgment that is not "final" in the sense of 28 U.S.C. § 1291 can nonetheless be considered "final" in the sense of precluding further litigation of issues that were actually determined in such a judgment. . . . As Judge Friendly observed, "'Finality' in the context here relevant may mean little more than that the litigation of a particular issue has reached such a stage that a court sees no really good reason for permitting it to be litigated again."<sup>154</sup>

What Judge McMahon found particularly persuasive was that "after *Markman*, claim construction became a separate legal issue."<sup>155</sup> As claim construction is a matter solely for the court in the post-*Markman* era, parties, much like TM Patents in the Massachusetts and New York litigations, frequently and fully litigate claim meaning prior to trial.<sup>156</sup> Therefore, once a judge construes the claims at the close of a *Markman* hearing, "[i]t is hard to see how much more 'final' a determination can be."<sup>157</sup> Judge McMahon also noted that the Supreme Court, in affirming *Markman I*, emphasized the promotion of uniformity in claim meaning.<sup>158</sup> For Judge McMahon stated:

After *Markman*, with its requirement that the Court construe the patent for the jury as a matter of law, it is inconceivable that a fully-litigated determination after a first *Markman* hearing would not be preclusive in subsequent actions involving the same disputed claims under the same patent. The nature of the *Markman* proceeding is such that finality is its aim.<sup>159</sup>

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154. *Id.* at 375–76 (citation omitted); see also RESTATEMENT (SECOND) OF JUDGMENTS § 13 cmt. g (1982); *id.* § 27 cmt. k.

155. *TM Patents*, 72 F. Supp. 2d at 376.

156. *See id.*

157. *Id.* Judge Young was clear in his finality, telling the parties, "You've got the claim construction, you're going to have to live with it." *Id.* at 377.

158. The Federal Circuit, in *Burke, Inc. v. Bruno Indep. Living Aids, Inc.*, 183 F.3d 1334 (Fed. Cir. 1999), stressed the importance of uniformity and consistency in claim interpretation so much so that the court permitted a patentee to invoke what amounted to offensive issue preclusion against a new and independent defendant based upon an earlier *non-precedential* Federal Circuit opinion construing the "same claim of the same patent." *Id.* at 1337–38. Notably, FED. CIR. R. 47.6(b) prohibits litigants from citing as precedent non-precedential opinions. However, the rule does not "preclude assertion of issues of claim preclusion, issue preclusion, judicial estoppel, law of the case or the like based on . . . a non-precedential opinion." *Burke*, 183 F.3d at 1337. According to the court, "the interest of consistency in the construction of patent claims would be ill served by interpreting Rule 47.6(b) to preclude consideration of a prior claim construction rendered as a matter of law by this court." *Id.*

159. *TM Patents*, 72 F. Supp. 2d at 377. The finality of a *Markman* ruling, according to Judge McMahon, also has implications for interlocutory appeals. According to Judge McMahon, "[S]o final is a *Markman* ruling that one could make a strong case for routinely certifying an interlocutory appeal to the Federal Circuit, pursuant to 28 U.S.C. § 1292(b)." *Id.* at 377 n.1. However, the Federal Circuit has not been receptive to interlocutory appeals with respect to claim interpretation. As noted by Judge Newman:

Although the district courts have extended themselves, and so-called "*Markman* hearings" are common, this has not been accompanied by interlocutory review of the trial judge's claim interpretation. The Federal Circuit has thus far declined all such certified questions . . . [thereby resulting in] two untoward consequences; first, the district court has had to conduct a perhaps un-

The point to be made here is that when two or more district court judges hold a *Markman* hearing and are willing to invoke collateral estoppel, the Federal Circuit's ability to promote uniformity in claim meaning is no greater than that of a district court—even if the district court judge applying collateral estoppel does not agree with his fellow judge's prior construction.<sup>160</sup> In fact, de novo review delays certainty, wastes trial court resources, and leads to costly appeals. Ironically, from the *Markman I* majority's vantage point, the characterization of claim construction as a question of law renders the determination a separate legal issue susceptible to collateral estoppel, thus enhancing the power of the district court judge.

In *TM Patents*, the parties in the prior Massachusetts litigation settled before the jury reached a verdict on liability so the issue of availability of appeal with respect to the court's claim interpretation was never addressed.<sup>161</sup> In modern patent law litigation, the party who loses on claim interpretation will most likely lose on liability, and, thus, the losing party will be able to appeal the issue of claim interpretation to the Federal Circuit. What if, however, in the prior district court litigation, the patentee loses on the issue of claim interpretation, yet wins on liability (i.e., validity and infringement)? Is the patentee precluded from asserting a claim construction different from this prior construction? Based on an exception to the doctrine of issue preclusion, the Eastern District of Pennsylvania in *Graco Children's Products, Inc. v. Regalo International, LLC*<sup>162</sup> said no.

In many respects, the litigation history of *Graco* is comparable to that of the *TM Patents*. In *Graco*, the defendant, Regalo, asked the court to in-

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necessary trial; and second, the eventual issuance of a new claim interpretation by the Federal Circuit, on appeal after final judgment, has sometimes required a second trial of the issue of infringement.

Cybor Corp. v. FAS Tech., Inc., 138 F.3d 1448, 1479 (Fed. Cir. 1998) (Newman, J., additional views). A third consequence has been for a party, faced with an unfavorable claim construction and unwilling to endure a "meaningless trial," to request that the district court judge enter an adverse judgment against them thereby prompting an immediate appeal to the Federal Circuit. See *Schering Corp. v. Amgen, Inc.*, 35 F. Supp. 2d 375, 377 (D. Del. 1999). In *Schering*, Judge Schwartz speculated that perhaps the reason the Federal Circuit disfavors interlocutory review of *Markman* decisions without a party initially conceding that it cannot succeed under the district court's claim interpretation is because of "the parties' intensity of preference for challenging adverse claim construction decisions." *Id.* at 377 n.2. Judge Schwartz continued:

[I]f a party must first consent to a final judgment of noninfringement, it will only challenge a claim construction decision when it concludes it cannot prove infringement under the claim interpretation. By denying interlocutory appeals, the Federal Circuit will only hear appeals from adverse claim construction decisions where the party concludes its case is irreparably harmed by the lower court's claim interpretation.

*Id.* However, the losing party on claim interpretation will most likely appeal after final judgment anyway—when district court and party resources have been expended—knowing full well that de novo review awaits. If the Federal Circuit grants an interlocutory appeal, the losing party, after the district court's final judgment, will be precluded, based upon law of the case, from appealing the Federal Circuit's interlocutory decision, significant resources may be conserved, and the parties may be induced to settle.

160. See *TM Patents*, 72 F. Supp. 2d at 379 ("I agree with just about everything Judge Young did when he construed the claims in the EMC action. Nonetheless, I have no doubt that collateral estoppel would apply against TM on the previously litigated claims even if I thought everything Judge Young decided was wrong.").

161. *Id.* at 375.

162. 77 F. Supp. 2d 660 (E.D. Pa. 1999).

voke the doctrine of issue preclusion and bind the patentee, Graco, to a prior claim interpretation received in an earlier infringement suit (*Graco I*) it brought against Century Products Company.<sup>163</sup> In *Graco I*, District Judge Bechtle held a *Markman* hearing and construed the claim language in question.<sup>164</sup> Although Graco lost on the issue of claim interpretation—apparently the judge gave the claims a narrower interpretation than Graco would have preferred—Graco won on the issue of infringement.<sup>165</sup> Century Products filed a Notice of Appeal, and Graco, thereafter, filed a Protective Notice of Appeal. The appeals, however, were dismissed after the parties settled.

Given the prior claim construction, the defendant in *Graco II*, citing *TM Patents*, argued that based on the doctrine of issue preclusion Graco should be bound to the *Graco I* decision on claim interpretation. District Judge Kelly rejected this argument and both distinguished and rejected the *TM Patents* decision.<sup>166</sup> One of the key distinctions for the *Graco II* court was that there was a jury verdict in *Graco I* whereas, in the TM/EMC litigation, the parties settled before a verdict was reached.<sup>167</sup> This distinction is important because the patentee in *Graco I* lost the claim interpretation issue but won on infringement.<sup>168</sup> As such, following Federal Circuit precedent and the *Restatement (Second) of Judgments*, the court found that “because Graco won on its claim of patent infringement, but lost on a claim interpretation issue, no issue preclusion attaches to the lost issue of claim interpretation since it could not by itself be appealed.”<sup>169</sup>

Although it is impossible to determine what the verdict would have been in the TM/EMC litigation, Judge McMahon suggested that it would not have made a difference in her decision to invoke the doctrine of issue preclusion.<sup>170</sup> For Judge McMahon, “after *Markman*, claim construction became a separate legal issue, for determination by the Court.”<sup>171</sup> As such “[a] verdict would not have changed anything about Judge Young’s *Markman* rulings. Nothing more remained to be adjudicated; nothing more to be decided on the issue of claim construction. The application of the claim to

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163. *See id.* at 662.

164. *See id.* at 661.

165. *See id.*

166. *See id.* at 664–65.

167. *See id.* at 663.

168. *See id.*

169. *Id.* at 664 (citing *Hartley v. Mentor Corp.*, 869 F.2d 1469, 1472 (Fed. Cir. 1989)); *see also* *Jackson Jordan, Inc. v. Plasser Am. Corp.*, 747 F.2d 1567, 1577–78 (Fed. Cir. 1984). The *Jackson Jordan* court stated:

In a sense, a party can be said to have “lost” if it urged a broad scope of the claim, and the court upheld validity on a narrower interpretation. However, if a claim is held valid and infringed on a narrower than necessary basis, the patent owner cannot appeal . . . under the first exception to issue preclusion noted in Restatement § 28(1).

*Id.* The first exception to issue preclusion noted in Restatement § 28(1) states that “[t]he party against whom preclusion is sought could not, as a matter of law have obtained review of the judgment in the initial action.” RESTATEMENT (SECOND) OF JUDGMENTS § 28(1) (1982).

170. *See* *TM Patents, L.P. v. IBM*, 72 F. Supp. 2d 370, 377 (S.D.N.Y. 1999).

171. *Id.* at 376.

the product was immaterial to the finality of Judge Young's determinations."<sup>172</sup>

Thus, based on this language, it does not appear to be a stretch to say that a verdict of *infringement or noninfringement* "would not have changed anything about Judge Young's *Markman* rulings."<sup>173</sup> Judge McMahon understands, correctly in my opinion, that a *Markman* hearing is procedurally unique and calls into question case law and procedural rules that were in place prior to *Markman*.

For example, Judge Kelly in *Graco II* understandably relied upon the 1984 Federal Circuit case of *Jackson Jordan* for the proposition that "to apply issue preclusion to a claim interpretation issue decided in a prior infringement adjudication, 'the interpretation of the claim had to be the reason for the loss [in the prior case] on the issue of infringement.'"<sup>174</sup> According to Judge Kelly, because *Graco* lost the claim interpretation issue in the prior litigation that previous claim interpretation was "not essential to the final judgment in that case."<sup>175</sup> The argument that issue preclusion should be limited to issues that were essential to a judgment of validity or infringement was also made by the patentee in *TM Patents*.<sup>176</sup> In response, however, Judge McMahon boldly proclaimed that:

[C]ases such as *Jackson Jordan* . . . (Fed. Cir. 1984), *A.B. Dick* . . . (Fed. Cir. 1983) . . . , and *Eastman Kodak* . . . (5th Cir. 1980)—are inapplicable in the post-*Markman* era, at least when the district court holds a special pre-trial hearing. . . . These authorities were decided at a time when patent claims were construed during jury deliberations. It therefore made perfect sense to limit the collateral

172. *Id.* at 377. It is arguable that in the wake of *Markman*, the *Graco II* court incorrectly applied section 28(1) of the RESTATEMENT (SECOND) OF JUDGMENTS. Comment (a) of section 28 states that section 28(1) "only applies when review is precluded as a matter of law." RESTATEMENT (SECOND) OF JUDGMENTS § 28(1). If this were the only statement in comment (a), the basis for the *Graco II* court's decision not to invoke issue preclusion would be, given Federal Circuit precedent, unassailable on the law. However, comment (a) also notes that:

[Section 28(1)] does not apply in cases where review is available but is not sought. Nor does it apply when there is discretion in the reviewing court to grant or deny review and review is denied; such denials by a first tier appellate court are generally tantamount to a conclusion that the questions raised are without merit.

*Id.*

The Federal Circuit has the discretion, especially in the context of a *Markman* ruling, to hear claim interpretation as an interlocutory appeal. See 28 U.S.C. § 1292(b) (1994). Although the court has thus far refused to exercise this discretion, such an appeal, as discussed *infra*, is particularly appropriate given the "finality" of a *Markman* ruling. Nevertheless, this is probably asking too much of section 28(1). Although the Federal Circuit (and its sister circuits) have discretion to hear interlocutory orders under § 1292(b), the refusal to hear an interlocutory appeal can be based on several factors having nothing to do with the merits of the appeal. Of course, what is meant by the above quoted passage remains unresolved.

173. Judge McMahon also noted that "the only reason Judge Young's conclusions were not reviewed on appeal is that the case was settled" and that a "party to who cuts off his right to review by settling a disputed matter cannot complain that the question was never reviewed on appeal." *TM Patents*, 72 F. Supp. 2d at 378.

174. *Graco Children's Prod., Inc. v. Regalo Int'l, LLC*, 77 F. Supp. 2d 660, 664 (E.P. Pa. 1999).

175. *Id.* at 664.

176. *TM Patents*, 72 F. Supp. 2d at 378.

estoppel effects emanating from a jury's judgment on issues of validity and infringement to matters of claim construction that were necessarily comprehended in the verdict. That rule makes no sense when a court, acting as a matter of law, draws binding conclusions about the meaning of disputed patent terms for the benefits of the litigants and the jurors.<sup>177</sup>

I am not suggesting that Judge Kelly acted imprudently in *Graco II*. There is Federal Circuit precedent and, as a district court judge, he was compelled to follow it. In fact, it would have been interesting to see what Judge McMahon would have done if she had presided in *Graco II*. Although, as discussed above, I believe she would have issued an opinion comparable to *TM Patents*. I am suggesting that the Federal Circuit should make it easier for district court judges to apply issue preclusion. As such, the court should take a close look at the *TM Patents* and *Graco II* cases and, thereafter, revisit their own precedents, particularly, *Jackson Jordan* and *AB Dick*. As a general proposition of law, it makes sense for the Federal Circuit to preclude winning parties from appealing adversely decided issues and to refrain from issuing advisory opinions. A *Markman* proceeding, however, is unique. As Judge McMahon aptly noted, the *Markman* decision "ushered in a new regime in patent claim construction."<sup>178</sup> Uniformity and certainty are the *Markman* mantras. Therefore, the Federal Circuit, as arbiter of ultimate claim meaning, should open its de novo doors and entertain claim interpretation appeals regardless of whether the patentee won or loss on claim interpretation at the district court. Of course, the Federal Circuit could simplify matters by granting interlocutory appeals as discussed in part II.A.

### III. CONCLUSION

Most would agree that the presence of early certainty and uniformity is desirable in any patent law regime. The question this paper addresses is what procedural mechanism is best suited to facilitate the realization of early certainty and uniformity. With respect to the former, my preference would be for the Federal Circuit to exercise greater discretion when reviewing district court claim constructions, but such obeisance is unlikely. As de novo review is most likely here to stay, early certainty can only be achieved if the Federal Circuit matches its willingness to employ de novo review with an equally ardent willingness to entertain interlocutory appeals of trial court claim interpretations. With respect to promoting uniformity, the Federal Circuit has a role to play, but this role is limited to situations where the doctrine of issue preclusion does not apply at the district court level. Indeed, if district court judges are inclined to apply issue preclusion in the context of claim construction, the Federal Circuit's status as *the* appellate

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177. *Id.* at 378–79 (citations omitted).

178. *Id.* at 376.

patent court loses some of its specialness. District court judges should not hesitate to apply issue preclusion when appropriate, and the Federal Circuit should encourage this practice.