

June 17, 2011

By Email

Speaker John Boehner
Office of the Speaker
H-232 U.S. Capitol
Washington, DC 20515

Democratic Leader Nancy Pelosi
Office of the Democratic Leader
H-204 U.S. Capitol
Washington, DC 20515

Re: Unconstitutionality of “First-Inventor-to-File” Provision in H.R. 1249

Dear Speaker Boehner and Leader Pelosi:

We are writing concerning the issue of the unconstitutionality of § 2 in H.R. 1249, the provision titled “first-inventor-to-file.” It is the belief of the signatories to this letter, all of whom are law professors who specialize in intellectual property law, that this provision is unconstitutional under the Copyright and Patent Clause in Art. I, § 8, Cl. 8.

Section 2 of H.R. 1249 violates both the plain terms of the Copyright and Patent Clause and the historical interpretation of this clause by Congresses and the federal courts. Although there are many legitimate concerns about H.R. 1249’s impact on innovation, this unconstitutional provision by itself is sufficient to justify withdrawing this bill from consideration. At a minimum, this is a justifiable reason supporting the 54 House Members who have joined the June 1, 2011 letter to the Rules Committee in expressing their concerns about the constitutionality of H.R. 1249.

H.R. 1249 Unquestionably Takes Patents Away From Inventors

Although the word “inventor” appears in the title in § 2, which confusingly uses the phrase “first-inventor-to-file,” it nonetheless creates the same first-to-file rights that existed in the patent reform bills that had been introduced in prior Congresses and which were universally recognized as creating a first-to-file patent system. It also creates the exact same first-to-file rights that exist in other countries that have adopted first-to-file patent systems in both name and substance, such as Canada. Section 2 has to create a first-to-file patent system if only because one of the primary justifications for this provision in H.R. 1249 is that the United States should harmonize with other countries’ first-to-file patent systems. In sum, despite the confusion created by its title, H.R. 1249 unquestionably creates a first-to-file patent system.

The Constitution Only Empowers Congress to Give Patents to “Inventors”

The basis of the 220-year-old first-to-invent patent system in the United States is the Copyright and Patent Clause, which states that Congress has the power:

“To promote the Progress of Science and the useful Arts, by securing for limited Times to Authors and ***Inventors*** the exclusive Right to their respective Writings and Discoveries.” U.S. Const., Art. I, § 8, Cl. 8 (emphasis added).

The operative terms for patent law is that Congress is empowered only to “secure[e]” to “Inventors” their “exclusive Right to their . . . Discoveries.”

In the Founding Era, the term “Inventors” was defined in the newly independent United States of America as referring only to *first inventors*. In Samuel Johnson’s 1785 dictionary, often relied on by the Supreme Court as an authoritative source of meaning in the Founding Era, an “inventor” is defined as “one who produces something new; a devisor of something not known before.” Moreover, Johnson defined a “discoverer” as “one that finds anything unknown before.” Samuel Johnson, *A Dictionary of the English Language* (6th ed. 1785). Johnson was not alone in thinking that “Inventors” referred only to first inventors. St. George Tucker, for instance, defended the Copyright and Patent Clause against criticisms that it empowered Congress to create commercial monopolies by observing that “nothing could be more fallacious,” because this constitutional provision *limited* Congress to securing only an “exclusive right” in “authors and inventors.” St. George Tucker, *Blackstone’s Commentaries: With Notes of Reference to the Constitution and Laws of the Federal Government of the United States and of the Commonwealth of Virginia*, vol. 1, appendix (1803): p. 266.

Moreover, the First Congress, whose acts are often recognized as probative of the original meaning of constitutional terms, explicitly rejected the English practice of granting patents to importers of technology, recognizing that importers were not first and true inventors. During the drafting of the bill that became the Patent Act of 1790, the House committee decided not to follow the English practice of extending patent rights to the “first importer” of overseas inventions. Representative Thomas Fitzsimmons wrote: “The 6th Section, allowing Importers, was left out, the Constitutional power being Questionable.” See Karen E. Simon, *The Patent Reform Act’s Proposed First-to-File Standard: Needed Reform or Constitutional Blunder?*, 6 J. MARSHALL REV. INTELL. PROP. 1. 129, 141 & n. 95 (2006-2007) (quoting congressional record).

Thus the Patent Act of 1790 authorized the grant of a patent only to a person who has “invented or discovered any useful art . . . not before known or used.” See Patent Act of 1790, § 1, 1 Stat. at 109-110. The Patent Act of 1790 further provided for termination of a patent “if it shall appear that the patentee was not the first and true inventor.” See Patent Act of 1790, § 6, 1 Stat. at 111. This uniquely American first-to-invent requirement was readopted in all patent statutes enacted by successive Congresses in 1793, 1836, 1870 and 1952.

As the famed patent law historian, Edward Walterscheid, whose work has been relied on by the Supreme Court in many patent cases, has written: “Implicit in the use of the terms ‘inventors’ and ‘discoveries’ in the intellectual property clause is the premise that before an exclusive right can be granted, the discovery to be patented must be novel. . . . Simply put, *novelty is a constitutional requirement.*” Edward C. Walterscheid, *The Nature of the Intellectual Property Clause: A Study in Historical Perspective* (Buffalo: William S. Hein & Co., 2002) at p. 310-11 (emphasis added). Walterscheid further writes that James Madison and early Congresses embraced a uniquely “narrow” conception of novelty compared to England (which permitted patents for importation), as they believed that for an invention “to be patentable in the United States a discovery had to be original to the inventor.” *Id.* at p. 312-13.

Supreme Court Confirms Patents Must Be Granted to Inventors

In numerous court decisions since the early American Republic, Supreme Court Justices have repeatedly recognized that the patent statutes imposed this constitutional requirement. In 1813, Chief Justice John Marshall, riding circuit, wrote that the “*constitution and law, taken together, [give] to the inventor, from the moment of invention, an inchoate property therein, which is completed by suing out a patent.*” *Evans v. Jordan*, 8 F. Cas. 872, 873 (C.C.D. Va. 1813) (No. 4,564) (emphasis added).

In the Supreme Court’s decision in *Stanford v. Roche* just last week, Chief Justice Roberts quotes from many of the Supreme Court’s decisions over the past 220 years to establish that “Our precedents confirm the general rule that rights in an invention belong to the inventor.” This included, for instance, the decision in *United States v. Dubilier Condenser Corp.*, in which the Supreme Court held that U.S. patents have long secured “the result of an inventive act, the birth of an idea and its reduction to practice; the product of *original thought.*” 289 U.S. 178, 188 (1933) (emphasis added). Justice Joseph Story, recognized by patent scholars today as one of the founders of American patent law, wrote that “No person is entitled to a patent under the act of congress unless he has invented some new and useful art, machine, manufacture, or composition of matter, *not known or used before.*” *Bedford v. Hunt*, 3 F. Cas. 37, 37 (C.C.D. Mass. 1817) (No. 1,217) (emphasis added).

Congress May Not Define “Inventors” However It Wishes

Some supporters of the constitutionality of § 2 have stated that the meaning of the word “Inventors” in Art. I, § 8, Cl. 8 should be left to the policy discretion of Congress to interpret and apply in its patent statutes. But this cannot be a valid principle for applying constitutional provisions to Congress, because it would mean that every word in every provision of the Constitution should be left to the policy discretion of Congress as to how it should be applied to American citizens. Under this approach, Congress could freely redefine the meaning of “speech” in the First Amendment, or Congress could freely redefine the meaning of “due process” in the Fifth and Fourteenth Amendments. Certainly Congress has some discretion within the scope of its enumerated powers to

enact legislation; this is why the Framers adopted the Necessary and Proper Clause. But the very idea of a Constitution that specifically enumerates limited powers in the federal government through expressly worded provisions requires that the limiting terms in these provisions not be read out of the Constitution by interpretative fiat. If “Inventors” is to have any meaning whatsoever in defining and limiting the scope of Congress’s power to enact patent statutes under the Copyright and Patent Clause, it can only mean what it has been consistently interpreted to mean for 220 years: patents may be secured only to the first inventors.

Supporters of the constitutionality of § 2 have further claimed that the instances in which patents are denied to first inventors given their *post-invention activities*, such as public use or abandonment, suppression and concealment of an invention, prove that the Constitution does not require that patents go to first inventors. Again, this is a nonsensical principle of constitutional interpretation. The Constitution establishes the presumption that first inventors are secured a patent, but it does not mandate that first inventors must receive patents regardless of their own actions. Thus, Congresses and courts have identified instances in which post-inventive actions by a first inventor can result in a default on the right to receive a patent. There are myriad examples—such as strategic behavior by an inventor in commercially exploiting an invention as a trade secret long before filing for a patent or an inventor’s publicly disclosing an invention and thus creating reasonable reliance interests in third parties that the invention is in the public domain—but they all entail *post-invention actions* that result in a substantive or procedural default by the first inventor in receiving a patent. This is no different from the constitutional practice of denying to felons the right to vote or the right to own firearms or restricting every American citizen’s due process rights through statutes of limitation, and so on.

Accommodating Foreign Laws Is No Excuse to Violate Constitution

Lastly, the supporters of the constitutionality of § 2 have alleged that Congress’s longstanding practice of accommodating foreign countries’ first-to-file rules when foreign inventors apply for patents in the U.S. somehow disproves the constitutional argument against this first-to-file provision. But such laws prove no such thing. The Constitution applies only within the jurisdictional boundaries of the United States of America, and thus it is merely an act of comity for Congress to permit foreign inventors who have created inventions in foreign countries to apply for U.S. patents; under the Constitution, Congress may permit or refuse such a patent application by discretionary fiat. This is why the United States has entered into treaties to secure international protection of patent rights. It is also why, since the early American Republic, foreign inventors working in foreign countries have always required Congress to enact special statutes to permit them to apply for U.S. patents. But the constitutional requirement for U.S. inventors is neither discretionary nor unclear: It requires that the laws “securing” patents to “Inventors” who are living and working in the United States may do so only for those “Inventors” who have created “Discoveries”—those who are first to invent, not first to file for the patent itself.

In closing, it is our belief that there is a serious question concerning the constitutionality of the first-to-file provision in H.R. 1249. But regardless of whether one agrees that a first-to-file system is unconstitutional, it is entirely appropriate that this debate occur in the deliberations concerning whether H.R. 1249 should be enacted by Congress. The constitutionality of a statute under consideration by Congress, in addition to whatever policy issues may be raised by it, is always something that should be openly and forthrightly considered by Congress, which has as much a duty to uphold the Constitution as do the Executive and Judicial branches.

Sincerely,

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