

United States Court of Appeals
for the Federal Circuit
Washington, D.C. 20439

Chambers of
Haldane Robert Mayer
Chief Judge

May 28, 1998

Dear Justice White:

Thank you for your invitation to submit comments to your Commission in response to questions about the functioning and jurisdiction of our court, the United States Court of Appeals for the Federal Circuit.

You asked, first, how well the Federal Circuit is working as part of the nation's overall appellate system.

The Federal Circuit, of course, differs from the other courts of appeals in that its jurisdiction is nationwide, although defined by subject-matter. The only other circuit that has similar nationwide jurisdiction in certain subject matter areas is the District of Columbia Circuit, which has either exclusive or concurrent jurisdiction over petitions for review of the orders of certain administrative agencies.

Congress created the Federal Circuit in an effort to centralize review of certain specified matters, but at the same time to give the tribunal a sufficiently broad base of jurisdiction to attract generalist judges and avoid turning the court into a specialized tribunal. I think it is safe to say that the judges of this court believe the court has been quite successful in achieving that purpose.

In the area of patent law, the court has been able to resolve a number of issues that had previously divided the courts of appeals, with the result that, in general, the administration of patent law is more consistent and predictable than it was in the years before this court's creation. General agreement with this conclusion was expressed at a recent Federal Circuit Bar Association meeting, a portion of which was devoted to an in depth review of the court's performance since its inception. In the area of monetary claims against the United States, the Federal Circuit has continued the work of the old Court of Claims, providing a single reviewing tribunal for the trial judges of the Court of Federal Claims and continuing to develop a consistent body of precedent

in this increasingly complex field of law. The court has performed a similar role in serving as the sole reviewing tribunal for the Court of International Trade, the Court of Veterans Appeals, the International Trade Commission, the Patent and Trademark Office, the various Boards of Contract Appeals, and the Merit Systems Protection Board.

For each of these tribunals, the Federal Circuit serves as the sole reviewing court, providing consistency of precedent along with the expertise that comes from repeated exposure to some of the complex legal and technical issues that typically arise in the cases coming to us from those tribunals. Because of the mix of jurisdiction resulting from our review of these tribunals, the Federal Circuit has been able to provide some of the advantages of specialization, such as decisional consistency and familiarity with complex doctrinal and technical matters, while at the same time avoiding the problems sometimes thought to be associated with an overly-specialized court.

As far as the role of the Federal Circuit vis-à-vis the other circuits is concerned, we have had relatively few difficulties attributable to jurisdictional uncertainties. Because Congress arranged for all cases that have patent issues in them to be reviewed by the Federal Circuit, there has been little confusion over whether a particular patent-related case should be appealed to this court or to another circuit. And because most of the rest of our jurisdiction is based on the tribunal that we review, rather than purely on subject matter, the question of the proper forum for appellate review seldom arises. I believe, therefore, that in spite of the fact that this court is unusual in the way its jurisdiction is defined, it has functioned well as part of the overall federal appellate system.

Your second question was whether the Federal Circuit's jurisdiction should be enlarged or contracted, and, if so, how.

While I believe the members of this court regard the current allocation of jurisdiction as quite satisfactory, there are changes that could be made that would be consistent with its role and might help alleviate the pressures on other appellate courts within the system. Because many of the matters coming before this court involve commercial disputes -- and particularly commercial disputes in the areas of unfair competition and intellectual property -- it may make sense to consider additional jurisdiction for this court over other similar subject matter. In particular, at the recent Federal Circuit bar meeting, commentators noted that in recent years copyright law has become increasingly technical and complex, with the enhanced significance of computer software copyrights. Now there is an overlap, at least with respect to software, between the patent and

copyright law, and consequently it may make sense to revisit the question of vesting copyright jurisdiction in the Federal Circuit.

A comparable extension of our jurisdiction could embrace trademark infringement cases. We currently review trademark issues arising from the Patent and Trademark Office. Many of the same trademark issues we now review are common to infringement suits. Trademark infringement suits often involve claims of unfair competition under state law. The same is true now with regard to patent infringement suits, and we have thus become accustomed to adjudicating the pendent state law issues that arise in our patent cases. When such issues arise, we apply the state law of the circuit from which the case comes, consistent with the application of state law by our sister circuits in diversity jurisdiction cases. Just as greater consistency and integration arose by having one appeals court review patent board decisions and infringement cases, the same benefit could be expected from giving the same court jurisdiction over both trademark board and district court trademark decisions.

Of course, any increase in the court's jurisdiction would have to be attended by careful attention to the number and complexity of cases that would be added to the docket. While the court is, I believe, functioning well with its current caseload (even though many of the cases are quite complex), there is a risk that a substantial increase in the number of appeals -- particularly complex commercial appeals -- could undermine the quality and timeliness of the court's work, which would largely defeat the congressional purpose in creating this court in the first place.

We think the current jurisdiction of our court should remain in place; it should not be contracted. Given the recognized importance of intellectual property in today's international economy and the expansion of international trade, maintaining the core of our jurisdiction makes sense to achieve the original goals set for this court.

Your third question was whether other subject-matter courts of appeals should be created and, if so, what jurisdiction those courts should have.

While we have not conducted a comprehensive study of the need for additional subject-matter courts of appeals, I would note that the reasons for the creation of this court were unique, and that there do not appear to be other areas -- except perhaps copyright -- in which the need for special expertise and precedential consistency is as compelling as it was in the case of patent law at the time this court was created. Other subject matter such as tax law, might benefit from the consistency a single

appellate court can supply. I have no reason to believe, however, that the unique circumstances of patent law which supplied the impetus to create this court now exist in other fields. It thus may not be a good idea to move areas of law away from the other circuits, unless it is thought to be necessary in order to reduce the burdens now imposed on their dockets.

The federal appellate system has traditionally been characterized by generalist, geographic circuits. That model has worked well, and Congress has been sensibly cautious about creating exceptions to it. The Federal Circuit, in our view, has been the "exception that proves the rule." But that is not to say that the Federal Circuit should be used as a model for the creation of more subject-matter courts and the narrowing of the jurisdiction of the other circuits by allocating significant portions of their current jurisdiction to subject-matter courts.

I would be happy to expand on any of these points or respond to any further questions that the Commission may have about the role of the Federal Circuit in the federal appellate system or any aspect of the court's work. We are sending statistical data, background information, and a bibliography separately. Thank you again for the opportunity to address the matters you raised.

Respectfully,

A handwritten signature in black ink, appearing to read "H. R. May", followed by a horizontal line.

cc: Professor Meador

Honorable Byron R. White
Chair, Commission on Structural Alternatives for
the Federal Courts of Appeals
Thurgood Marshall Federal Judiciary Building
One Columbus Circle, N.E.
Washington, D.C. 20544