Blonder-Tongue Bites Back: Collateral Estoppel in Patent Litigation - A New Look

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COMMENTS

BLONDER-TONGUE BITES BACK: COLLATERAL ESTOPPEL IN PATENT LITIGATION — A NEW LOOK

Some say that Blonder-Tongue has opened up a can of worms; some say it’s two cans of worms; and others say that it is a clarification of what should have been done some time ago.¹

I. INTRODUCTION

A great deal of controversy has surrounded the recent Supreme Court decision in Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation.² Only on rare occasions has the Supreme Court granted certiorari to patent cases;³ rarer still are those instances in which the Court has upheld the validity of the questioned patent.⁴ Consequently, the mere grant of certiorari to Blonder-Tongue portended restriction of the patent holder’s rights. Critics justifiably demonstrate that invariably Supreme Court decisions in the patent area have resulted in stricter patentability standards and greater procedural barriers for the patent holder in maintaining his patent and enforcing it against infringers.⁵ In this respect, no

3. The most important factor considered by the Court in granting certiorari has been the existence of conflicting circuit court decisions on the validity of a patent. See Triplett v. Lowell, 297 U.S. 638 (1936), wherein the Court noted that “certiorari will not usually be granted in patent cases unless there is a conflict in the decisions of circuit courts of appeals.” Id. at 644. See also Universal Oil Prods. Co. v. Globe Oil Co., 322 U.S. 471, 473 (1944); Rollins, In Rem Invalidity: A Solution in Search of a Problem?, 52 J. Pat. Off. Soc’y 561, 574 (1970). Since one of the effects of Blonder-Tongue will be to limit the number of conflicting circuit court decisions, there should be even fewer patent decisions by the Supreme Court in the future. See notes 148–53 and accompanying text infra.
4. The Supreme Court last upheld the validity of a patent in United States v. Adams, 383 U.S. 39 (1966). Prior to Adams, the Court had not held a patent valid since 1944. See Goodyear Tire & Rubber Co. v. Ray-O-Vac Co., 321 U.S. 275 (1944). Supreme Court decisions upholding a patent have become such “rare events” that one commentator suggests a detailed analysis of these decisions in order to determine exactly what factors have motivated the Court to reach such unusual results. See Comment, Obviousness in the Eighth Circuit, 14 St. Louis U.L.J. 672 (1970).
5. In an earlier era when ingenuity and inventiveness were looked upon more favorably, it was not as unusual for the Supreme Court to reverse circuit court findings of invalidity. See, e.g., Abercrombie & Pitch Co. v. Baldwin, 245 U.S. 198 (1917); Diamond Rubber Co. v. Consolidated Rubber Tire Co., 220 U.S. 428 (1911); Expanded Metal Co. v. Bradford, 214 U.S. 366 (1909).
6. See Blonder-Tongue Symposium, supra note 1, at 721 (remarks of Mr. Robert Rines). Mr. Rines, who represented Blonder-Tongue Laboratories, Inc. before the Supreme Court, opined that the Blonder-Tongue decision was motivated by the Court’s basic “hostility to patents and to patentees.” Id. He further contended that the decision is merely “another step in a deliberate and considered policy by the United

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case has given the patent holders more cause to complain than *Blonder-Tongue*, for in that case the Supreme Court vitiated the patent holder's most valuable protection — the right to maintain an infringement action even after an initial finding of invalidity — by extirpating the requirement of mutuality of estoppel traditionally applicable in patent law.\(^6\) Espousing a goal of judicial economy, the Supreme Court sought to limit relitigation of patent cases by making the initial finding of invalidity conclusive as to that patent holder. In so holding, the Court incorporated into patent law the doctrine of collateral estoppel sans mutuality, a concept already widely accepted in other areas of the law.\(^7\) While this Comment will not dispute the abrogation of mutuality in the patent field, it will examine the *Blonder-Tongue* Court's refusal to delineate the proper criteria for determining obviousness as a ground for patent invalidity. It is this refusal, coupled with its abrogation of the mutuality requirement, which may cause *Blonder-Tongue* to deal a crushing blow to patent holders.

Recognizing "that in infamy or otherwise, *Blonder-Tongue* is now going to become a tool . . . to lighten the burden of our federal courts in patent litigation,"\(^8\) the purpose of this Comment is to analyze the role *Blonder-Tongue* will play in future patent litigation. In so doing, it will be necessary to dissect the *Blonder-Tongue* rationale, to explore its consequences, and to examine possible alternative solutions to the patent relitigation problem. Due to the increased significance *Blonder-Tongue* places on the first litigation of a patent, defendant class actions and forum shopping take on added significance, and therefore, these concepts will be critically reviewed.

**II. Mutuality in Nonpatent Fields**

The requirement of mutuality of estoppel is a judicially created doctrine which provides that unless both parties to an action are bound by a previous judgment, neither party may use that judgment as determinative of any issued raised in the action between them.\(^9\) Traditionally, the Supreme Court has recognized the legitimacy of the mutuality requirement,\(^10\) and its decision in *Bigelow v. Old Dominion Copper Mining & Smelting Co.*\(^11\) declared the requirement to be "a principle of general

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\(^{6}\) Id. at 726. Moreover, the Supreme Court's predilection for restricting the rights of patent holders has been candidly acknowledged by members of the Court. See Jungersen v. Ostby & Barton Co., 335 U.S. 560, 572 (1949) (Jackson, J., dissenting).

\(^{7}\) In so holding, the Court overruled Triplett v. Lowell, 297 U.S. 638 (1936). See notes 36-50 and accompanying text infra.


\(^{9}\) *Blonder-Tongue Symposium, supra* note 1, at 726 (remarks of Mr. Robert Rines).

\(^{10}\) See Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313, 320-21 (1971).

\(^{11}\) See, e.g., Litchfield v. Goodnow, 123 U.S. 549, 552 (1887) (estoppel requires mutuality).
elementary law. The theory behind the requirement of mutuality was founded in a somewhat vague notion of equality and justice; if a party would not have been bound by an adjudication in a prior suit against his present interest, he could not assert any findings of such prior suit in support of his immediate interest. The doctrine consequently assumed a sporting nature, in that unless a party risked something in the prior adjudication, he could take no benefit from it.

Despite widespread criticism of the mutuality requirement, in 1942 the Restatement of Judgments stated the general rule:

[A] person who is not a party . . . to an action in which a valid judgment . . . is rendered . . . is not bound by or entitled to claim the benefits of an adjudication upon any matter decided in the action.

However, disconcert with the rigid requirement of mutuality led to the creation of numerous exceptions which attempted to circumvent the harshness of the rule in certain situations, and as the exceptions expanded, it became difficult to determine which was broader, the rule or its exceptions.

12. Id. at 127. In reaching its decision in Bigelow to the effect that one joint tortfeasor could not plead a decision in favor of another joint tortfeasor as estoppel against the injured plaintiff, the Court relied upon prior Supreme Court precedent. Id. See Stone v. Farmers' Bank, 174 U.S. 409, 412 (1899); Keokuk & W.R.R. v. Missouri, 152 U.S. 301, 317 (1894); Litchfield v. Goodnow, 123 U.S. 549, 552 (1887); Railroad Co. v. National Bank, 102 U.S. 14, 21 (1880). But see Note, The Impacts of Defensive and Offensive Assertion of Collateral Estoppel by a Nonparty, 35 GEO. WASH. L. REV. 1010, 1016 n.50 (1967), which suggests that Bigelow is not as supportive of the doctrine of mutuality as is often believed.

13. Apparently, it was this aspect of the mutuality that led Bentham to conclude: "Nobody can take benefit by a verdict, who had not been prejudiced by it, had it gone contrary:" a maxim which one would suppose to have found its way from the gaming-table to the bench . . . There is reason for saying that a man shall not lose his cause in consequence of the verdict given in a former proceeding to which he was not a party; but there is no reason whatever for saying that he shall not lose his cause in consequence of the verdict in a proceeding to which he was a party, merely because his adversary was not.


14. For an exhaustive bibliography of cases and commentaries critically appraising the requirement of mutuality, see Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313, 322-23 nn. 9 & 10 (1971); Bernhard v. Bank of America, 19 Cal. 2d 807, 812, 122 P.2d 892, 894-95 (1942).

15. Restatement of Judgments § 93 (1942).

16. The following exceptions, among others, to the privity requirement were recognized to allow a nonparty to a prior adjudication to assert that prior adjudication defensively against the losing party in the former action and thereby estop him in the subsequent action: (1) actions brought against a surety by a creditor of the principal debtor where the debtor was exonerated by the prior judgment; (2) vicarious liability cases in which plaintiff seeks to hold defendant liable for the acts of another who has been legally exonerated in a prior adjudication; and (3) suits against one person alternatively liable to plaintiff, after a prior adjudication on the merits in an action against the other alternative defendant. For an examination of these and other recognized exceptions to the requirement of mutuality, see Moore & Currier, Mutuality and Conclusiveness of Judgments, 35 Tul. L. Rev. 301 (1961); Note, supra note 12, at 1015-17; Restatement of Judgments §§ 94-111 (1942).
It was, perhaps, recognition of this latter aspect that encouraged the California Supreme Court, in 1942, to ignore these exceptions,17 and to abrogate the requirement of mutuality entirely in Bernhard v. Bank of America.18 In holding that the defendant could plead collateral estoppel on issues actually litigated and decided in a previous probate court proceeding even though it was not a party to that proceeding, the court concluded that:

There is no compelling reason, however, for requiring that the party asserting the plea of res judicata must have been a party, or in privity with a party, to the earlier litigation.19

The Bernhard court seriously questioned the continued viability of the mutuality requirement and set the stage for future cases to abandon the requirement by reasoning that, since the issue raised in the case at bar was identical to that presented in the prior proceedings, and since there had been a final adjudication on the merits of that issue, collateral estoppel was justified even in the absence of mutuality.20

17. Commentators have recognized that "[t]he Bernhard case might easily have been brought within one of the established exceptions." Currie, Civil Procedure: The Tempest Brews, 53 CALIF. L. REV. 25, 26 (1965). In Bernhard v. Bank of America, 19 Cal. 2d 807, 122 P.2d 892 (1942), the bank was the transferee of an interest prior to the probate proceedings, and accordingly, it might have been able to assert the prior judgment under the exception recognized in Glaze v. Citizens' Nat'l Bank, 116 Ind. 492, 18 N.E. 450 (1888), which held that the assignee of a prior judgment could invoke an estoppel based on that judgment although not a party thereto. Id. at 494, 18 N.E. at 451. See Seavey, Res Judicata with Reference to Persons neither Parties nor Privies — Two California Cases, 57 HARV. L. REV. 98, 101 (1943). Moreover, since the bank would have had a cause of action against Cook for reimbursement had it lost the case to Mrs. Bernhard, the indemnitee-indemnitor exception as recognized in Restatement of Judgments § 96 (1942), would also have been appropriate. See Currie, supra note 13, at 290 n.22.

18. 19 Cal. 2d 807, 122 P.2d 892 (1942). In Bernhard, the administratrix of decedent Sather's estate sued the Bank of America for recovery of a bank deposit. In a prior adjudication, the probate court determined that during her lifetime decedent had made a gift of the amount in question to Cook, who had properly withdrawn these funds from the bank. In the subsequent case, plaintiff sought recovery from the bank on the ground that decedent never authorized withdrawal of her deposit. Although not a party to the action before the probate court, defendant Bank of America pleaded res judicata with respect to the finding of the probate court that decedent had made a gift of the funds. The trial court sustained the collateral estoppel plea, noting that the probate court had conclusively established Cook's ownership of the funds in question. Plaintiff appealed on the issue of whether one who was not a party or privy to a prior action, and who consequently lacked the requisite mutuality, could nevertheless plead the prior adjudication as collateral estoppel. Id. at 811-13, 122 P.2d at 894-95.

19. Id. at 812, 122 P.2d at 894.

20. Id. at 813, 122 P.2d at 894. The California Supreme Court apparently adopted the reasoning of Coca Cola Co. v. Pepsi-Cola Co., 36 Del. (6 Harr.) 124, 172 A. 260 (1934). In that case, the Delaware Superior Court directly addressed the problem of re-litigation of issues by a plaintiff against different defendants:

Assuming the identity of the issues, we are of the opinion that a plaintiff who deliberately selects his forum and there unsuccessfully presents his proofs, is bound by such adverse judgment in a second suit involving all the identical issues already decided. The requirement of mutuality must yield to public policy. To hold otherwise would be to allow repeated litigation of identical questions, expressly adjudicated, and to allow a litigant having lost on a question of fact to re-open and re-try all the old issues each time he can obtain a new adversary not in privity with his former one.

Id. at 132-33, 172 A. at 263.
Using Bernhard as a springboard, other courts welcomed the opportunity to abandon the requirement of mutuality\(^2\) and, despite initial doubt that Bernhard should be so generously construed,\(^2\) it eventually became obvious that courts would interpret Bernhard as rejecting absolutely the requirement of mutuality.\(^2\) In allowing subsequent defendants to plead collateral estoppel absent mutuality, the courts have stated their purposes to include: (1) protecting a party from being twice vexed for the same cause; (2) encouraging judicial economy by precluding a party who has had a full and fair trial from relitigating the same issue;\(^2\) and (3) fostering stability of judgments.\(^2\) The legitimacy of these objectives and the care taken by the courts to apply collateral estoppel sans mutuality only in situations where justice so demanded has led former critics of Bernhard later to acknowledge the decision as "a shining landmark of progress in justice and law administration."\(^2\) The abrogation of the mutuality requirement has developed to such a degree that few federal courts presently adhere to the requirement,\(^2\) and a similar trend can also be noted in the state courts.\(^2\)

Notwithstanding this trend, Blonder-Tongue marked the first time that the Supreme Court was called upon to re-evaluate the mutuality requirement in light of Bernhard. Noting the overcrowded judicial dockets and the misallocation of resources resulting in part from unnecessary relitigation, the Court repudiated the doctrine of mutuality in situations where the party against whom the estoppel is asserted had a full and fair opportunity to litigate in the former adjudication.\(^2\) Consequently, though "elementary law" in 1912,\(^3\) the doctrine of mutuality has been banished from the contemporary scene, and recalcitrant federal and state courts should view Blonder-Tongue as a Supreme Court mandate to this effect. Examination of the circumstances surrounding Blonder-Tongue strengthens

22. Id. at 285.
26. Currie, supra note 17, at 37. Professor Currie had earlier questioned the wisdom of Bernhard and had suggested a limited interpretation of the decision, fearing that improper application of collateral estoppel sans mutuality would "produce results which are abhorrent to the sense of justice and to orderly law administration." Currie, supra note 13, at 289.
28. See Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313, 326 n.14 (1971). But see Rollins, supra note 3, at 584, wherein the author asserts that "the authorities are overwhelmingly in favor of the doctrine of mutuality."
29. 402 U.S. at 329. The Blonder-Tongue Court refused to consider other aspects of collateral estoppel, stating that "mutations in estoppel doctrine are not before us for our wholesale approval or rejection." Id. at 327.
30. See text accompanying notes 11 & 12 supra.
the force of this mandate. Prior to Blonder-Tongue, only patent cases had survived the abrogation of mutuality, and if the Court had accepted estoppel without mutuality in the heretofore privileged area of patent law, it would seem reasonable to conclude that the mandate should apply with equal force to all other fields of law as well. In United States v. Whitaker, the Court of Appeals for the District of Columbia Circuit recognized the broad applicability of Blonder-Tongue and employed its rationale in the criminal area, concluding that the dual interests of fairness and judicial expediency demanded the abandonment of mutuality as an essential condition to the defendant’s right to obtain a lesser included offense charge. Similarly, the Fifth Circuit, in Sewell v. International Association of Machinists & Aerospace Workers, indicated that Blonder-Tongue’s impact extended beyond mere patent cases. Given such broad interpretations of the decision, it would seem that Blonder-Tongue has indeed sounded the death knell for the doctrine of mutuality.


By 1970 it had become obvious that “mutuality [was] essentially dead in all areas of the federal law except patent law.” This unique immunity enjoyed by the doctrine of mutuality in the patent area was primarily due to the 1936 Supreme Court decision in Triplett v. Lowell. In Triplett, the owner of a patent for radio receiving equipment brought an infringement suit in a Maryland district court approximately seventeen months after the Third Circuit had declared his patent invalid. The trial court dismissed the plaintiff patent owner’s action in view of the prior finding of invalidity. On appeal, the Fourth Circuit reversed, holding that the prior judgment of invalidity did not bar the later infringement action.

32. 447 F.2d 314 (D.C. Cir. 1971).
33. Id. at 322. Whitaker was convicted of first degree burglary. At trial he requested a charge to the jury that unlawful entry was a lesser included offense of first degree burglary. The trial court refused this charge because the requisite mutuality was not present; i.e., constitutional objections prevented the prosecutor from asking for such a charge. On appeal, defendant urged that this requirement of mutuality should have been abandoned and that, consequently, he was entitled to the charge. The District of Columbia Circuit Court of Appeals agreed and eliminated the mutuality requirement, relying on Blonder-Tongue for support. Id.
34. 445 F.2d 545 (5th Cir. 1971).
35. Id. at 551 n.25.
38. The federal district courts have original and exclusive jurisdiction over patent cases by virtue of 28 U.S.C. § 1338(a) (1970).
39. RCA v. Dubilier Condenser Corp., 59 F.2d 305 (3d Cir.), cert. denied, 287 U.S. 650 (1932). The Third Circuit reasoned that, in designing the Lowell apparatus, the inventors merely “applied in a natural and ordinary way the prior knowledge of the art without making any inventive advance” and thus the patent was declared invalid for lack of the requisite inventiveness. Id. at 308.
40. The circuit court stated that “[t]here are many cases in the books in which decisions adverse to a patent in one circuit have been followed by favorable decisions
In affirming, the Supreme Court agreed that prior determinations of patent invalidity do not preclude a patent owner from initiating infringement suits against other defendants, and concluded:

Neither reason nor authority supports the contention that an adjudication adverse to any or all of the claims of a patent precludes another suit upon the same claims against a different defendant. While the earlier decision [of invalidity] may by comity be given great weight in a later litigation and thus persuade the court to render a like decree, it is not res adjudicata and may not be pleaded as a defense.

Despite speculation that Triplett had been decided incorrectly, the effect of the decision was quite clear — a patent holder could continue to sue for infringement of a patent previously declared invalid “as long as new defendants [were] available.” Since a patent holder could even bring suit in a circuit wherein his patent had already been declared invalid, a court of appeals could be forced in a later action to determine anew the validity of a patent as against one infringer that it had previously invalidated as against another. While recognizing the possibility of such anomalous results, the federal courts refused to reject Triplett’s basic principle that, in a patent case, absent mutuality of estoppel, there can be no collateral estoppel effect given to a prior judgment of patent invalidity, even though these very same courts championed the erosion of mutuality in other fields of the law. Many judges criticized the Triplett rationale, but few district courts and no circuit courts, repudiated it.

In another circuit, and generally it is well established that a decision in one circuit, while persuasive, is not binding on the courts of another in litigation upon the same patent between different parties.” Lowell v. Triplett, 77 F.2d 556, 561 (4th Cir. 1935), aff’d, 297 U.S. 638 (1936).


42. Id. at 642.

43. See, e.g., Nickerson v. Pep Boys — Manny, Moe & Jack, 247 F. Supp. 221 (D. Del. 1965), wherein Judge Steel questioned the precedential foundation for the Triplett decision. Id. at 221-22.


45. See, e.g., Tatko Bros. Slate Co. v. Hannon, 270 F.2d 571 (2d Cir. 1959); Aghnides v. Holden, 226 F.2d 949 (7th Cir. 1955). See also Rollins, supra note 3, at 575.

46. Compare Bruszewski v. United States, 181 F.2d 419 (3d Cir. 1950), with Nickerson v. Kutscher, 419 F.2d 983 (3d Cir. 1969). In Bruszewski, a tort case, the Third Circuit found that there was no injustice in allowing a plea of estoppel sans mutuality against a person who had a full opportunity to litigate the issue in a prior action, 181 F.2d at 421, while in Nickerson, a patent case decided after Bruszewski, the Third Circuit blindly applied the Triplett rationale. 419 F.2d at 984.


Moreover, the federal courts were unwilling to establish exceptions to the *Triplett* requirement of mutuality in patent cases, although they had been most willing to do so in other areas of the law.\(^{49}\) The only judicially established exception in the patent area arose in the manufacturer-customer situation in which the courts allowed the customer to shield himself by a prior judgment of invalidity in favor of his manufacturer, and vice versa.\(^{50}\) The lack of judicial initiative in constructing more exceptions to *Triplett* suggests judicial satisfaction with the strict requirement of mutuality in patent cases.

Since *Triplett* was decided in 1936, the Supreme Court, in requiring mutuality of estoppel, was merely applying to the patent area what was, at the time, an almost universal common law requirement.\(^{51}\) In the intervening years, however, the common law requirement of mutuality has been drastically modified, if not totally vitiated.\(^{52}\) Consequently, re-examination of the mutuality requirement in the patent setting was long overdue. The reluctance of the lower federal courts to re-evaluate *Triplett*\(^{53}\) was unwarranted because that decision, being only one implementation of the judicially established common law mutuality doctrine,\(^{54}\) should have been updated to reflect the aforementioned modifications which subsequently occurred in the common law generally.\(^{55}\) Such lower court inertia, therefore, necessitated Supreme Court intervention to conform the patent law concept of collateral estoppel to the general doctrine otherwise in vogue.

which the Sixth Circuit had previously adjudged invalid for want of invention, Nickerson v. Bearfoot Sole Co., 311 F.2d 858 (6th Cir. 1962). In the *Pep Boys* case, Judge Steel repudiated *Triplett* and anticipated the *Blonder-Tongue* decision. Since the plaintiff in *Pep Boys* had freely chosen his defendant, knowingly picked his forum, and fully litigated his claim in the prior action, Judge Steel concluded that nothing could be gained by relitigation, and consequently imposed an estoppel. 247 F. Supp. at 224. The Third Circuit rejected Judge Steel's approach, overruled his *Pep Boys* decision in Nickerson v. Kutscher, 419 F.2d 983 (3d Cir. 1969), and re-established the requirement of mutuality. See note 46 supra.

For another example of a district court applying the concept of collateral estoppel sans mutuality in a patent case, see Technograph Printed Circuits, Ltd. v. Packard Bell Electronics Corp., 290 F. Supp. 308 (C.D. Cal. 1968).

49. See note 16 and accompanying text supra.

50. Since the customer would not have been bound by a prior adverse decision against his manufacturer, nor vice versa, the requisite mutuality of estoppel was lacking. Nevertheless, "[t]he cases are quite consistent in holding that a customer is entitled to the benefit of a judgment of non-infringement or invalidity in a prior suit against his manufacturer." Evans & Robins, supra note 36, at 196.

51. While there were exceptions to the mutuality requirement in 1936, it was not until the *Bernhard* decision in 1942 that abrogation of mutuality was first critically reviewed. The Restatement of Judgments viewed *Triplett* as part of the prevailing common law doctrine of mutuality, as is indicated by an illustration provided therein. See *Restatement of Judgments* § 93, Illustration 10 at 465 (1942).

52. See note 36 and accompanying text supra.

53. See, e.g., Nickerson v. Kutscher, 419 F.2d 983, 984 (3d Cir. 1969) (modification of *Triplett* doctrine should only be undertaken by the Supreme Court or Congress).

54. See Brief for United States as Amicus Curiae at 7, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971), wherein it was asserted that "[t]he rules of estoppel are uniquely judicial in character, and *Triplett* never pretended to be more than a particular application of those rules to patent litigation." Id.

55. See notes 9–28 and accompanying text supra.
Blonder-Tongue is the decisional vehicle by which the Supreme Court achieved this conformity.\textsuperscript{56}

IV. Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation: The Decision

A. Facts

Since the Supreme Court, sua sponte, raised the question of whether Triplett should be overruled,\textsuperscript{57} the procedural background of Blonder-Tongue actually had little to do with the Court's decision.\textsuperscript{58} Nevertheless, a brief recitation of the facts is necessary for a thorough analysis of the case.

Respondent University of Illinois Foundation was the owner by assignment of a patent entitled "Frequency Independent Unidirectional Antennas."\textsuperscript{59} Based on this patent, respondent brought an infringement action against Winegard Company in the District Court for the Southern District of Iowa. In the subsequent decision, University of Illinois Foundation v. Winegard Co.,\textsuperscript{60} the patent was declared invalid for obviousness. Prior

\textsuperscript{56} Consequently, it is indeed ridiculous to suggest that the Supreme Court's re-examination of the mutuality requirement, albeit in a patent case, was specifically intended to harm the patent system. See Blonder-Tongue Symposium, supra note 1, at 760-61 (remarks of Mr. Clyde Willian).

\textsuperscript{57} See 402 U.S. at 317. After granting certiorari to Blonder-Tongue (see 400 U.S. 864 (1970)), the Supreme Court requested the parties to address themselves to the following issue:

Should the holding of Triplett v. Lowell, 297 U.S. 638 [1936], that a determination of patent invalidity is not res judicata as against the patentee in subsequent litigation against a different defendant, be adhered to?

402 U.S. at 317. Neither of the parties to the controversy raised the issue of overruling Triplett and, in fact, both opposed such action. Id. at 319. See also Blonder-Tongue Symposium, supra note 1, at 725 (remarks of Mr. Robert Rines). Although it would have escaped liability for infringement if Triplett was overruled, the petitioner, Blonder-Tongue Laboratories, refused to "urge the destruction of a long-accepted safeguard for patentees merely for the expedience of victory," believing that support of the patent system was more important than victory for itself. Brief for Petitioner at 12, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971). See also Blonder-Tongue Symposium, supra note 1, at 721-23 (remarks of Mr. Robert Rines). Respondent, University of Illinois Foundation, agreed that Triplett should be maintained, on the ground that any deviation from Triplett would be such a drastic step that it "should be made by Congress only after appropriate hearings and for compelling reasons." Brief for Respondent at 8, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971).

Only the Solicitor General in the government's amicus curiae brief argued that Triplett should be overruled, on the ground that the patent area should keep abreast of the drastic modifications in the doctrine of mutuality since the decision in Triplett. Maintaining that the requirement of mutuality should be given some flexibility, the Solicitor General recommended that "claims of estoppel in patent cases should be considered on a case by case basis, giving due weight to any factors which would point to an unfair or anomalous result from their allowance." Brief for United States as Amicus Curiae at 7, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971).

\textsuperscript{58} See Blonder-Tongue Symposium, supra note 1, at 720 (remarks of Mr. Robert Rines).


\textsuperscript{60} 271 F. Supp. 412 (S.D. Iowa 1967), aff'd, 402 F.2d 125 (8th Cir. 1968), cert. denied, 394 U.S. 917 (1969). In finding the patent invalid, the district court
to this determination of invalidity, respondent had filed an infringement
action against Blonder-Tongue Laboratories, Inc., in the District Court
for the Northern District of Illinois, which case proceeded to trial after
the lower court decision in Winegard. Recognizing that Triplett demanded
the making of an independent decision on the question of validity, the
Illinois district court considered the same prior art references and the
previous decision of the Iowa district court, and concluded that the statu-
tory prerequisite of nonobviousness had been met and that respondent's
patent was both valid and infringed. The Eighth92 and Seventh93 Circuits
affirmed the decisions of their respective lower courts, resulting in the
anomalous situation that courts in different circuits could arrive at directly
conflicting conclusions on the issue of obviousness based upon the same
prior art references.94

B. Holding and Rationale

Before examining the holding of Blonder-Tongue, it is important to
recognize what the Court did not do. It never considered the validity of
the patent in question and, as mentioned above, never examined the con-
ict existing between the Eighth and Seventh Circuits on the question of

61. The opinion of Judge Hoffman in deciding this action for the Northern
District of Illinois is unreported, but selected portions of his opinion appear in
Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313, 316
(1971) and in University of Ill. Foundation v. Blonder-Tongue Labs., Inc., 422 F.2d
769, 772-73 (7th Cir. 1970). The Supreme Court noted that Judge Hoffman relied on
Triplett in deciding that the question of validity was properly before him despite the
Iowa district court's prior determination of invalidity. See 402 U.S. at 316.

62. See University of Ill. Foundation v. Winegard Co., 402 F.2d 125 (8th Cir.
1968). The Eighth Circuit noted the intervening determination of validity by Judge
Hoffman, but deemed the analysis of its own lower court "excellent" and affirmed
the determination of invalidity "for essentially the same reasons set forth by the
court below," i.e., obviousness. Id. at 126.

63. University of Ill. Foundation v. Blonder-Tongue Labs., Inc., 422 F.2d 769
(7th Cir. 1970), remanded, 402 U.S. 313 (1971). The Seventh Circuit noted that,
although there had been a prior determination of invalidity by the Iowa federal court,
an affirmation of that finding by the Eighth Circuit, and a denial of certiorari by the
Supreme Court, the issue of validity was properly before it in light of Triplett.
Id. at 772. Upon its own examination of the evidence, the Seventh Circuit rendered
a contrary conclusion on the issue of obviousness, and affirmed its lower court's
determination of the patent's validity. Id. at 775.

64. See notes 62-63 supra. Mr. William Marshall, the attorney for the University,
maintained that there was no substantive difference in his presentations of the case
before the Southern District of Iowa and the Northern District of Illinois. Mr.
Marshall knew of no other evidence that he could have presented. Blonder-Tongue
Symposium, supra note 1, at 729-30 (remarks of Mr. William Marshall).

This phenomenon of conflicting decisions on validity, based on virtually
the same prior art evidence, has long been recognized as a fact of life by the patent bar.
Id. at 748 (remarks of Mr. William Kerr).
“obviousness.” The Blonder-Tongue decision, therefore, is neither an
affirmation of the Eighth Circuit’s determination of invalidity, nor a
reversal of the Seventh Circuit’s contrary conclusion of validity. Consequently, the discrepancy between those circuits on the matter of “obvious-
ness” persists; upon examination of the same patent and the same prior
art references, it can be assumed that these courts might still come to
opposite conclusions on the obviousness of the invention and, hence, on
the validity of the patent.

It would, therefore, appear that if the factual setting of Blonder-
Tongue raised any issue worthy of Supreme Court examination it would
be: what is the proper standard of obviousness? By ignoring this question
and stating the issue as “whether mutuality of estoppel is a viable rule
where a patentee seeks to relitigate the validity of a patent once a federal
court has declared it to be invalid,” the Court confronted only half of the
problem presented by Blonder-Tongue. In refusing to delineate a proper
test for obviousness, the Court has left the problem for a later case, but in
the interim, this procrastination will result, it is submitted, in the frustra-
tion of the goals established by Blonder-Tongue itself, as well as gross
injustice to patent holders, for some holders will be deprived of “a full and
fair chance to litigate the validity of [their] patent[s].” To maintain
that a patent holder has a full and fair chance to litigate his claim in a
circuit which repeatedly applies the improper test for obviousness is truly
a pipedream, and the Supreme Court’s failure to recognize and rectify this
situation makes the Blonder-Tongue decision oppressive.

In Blonder-Tongue, the Court vacated the Seventh Circuit’s judg-
ment because of its failure to recognize a plea of estoppel by the petitioner
Blonder-Tongue Laboratories, even though the petitioner never attempted
to enter such a plea and, in fact, opposed any such concept of estoppel.
In considering the estoppel issue dispositive of the case, the Court specif-
ically overruled Triplet "to the extent it forecloses a plea of estoppel by
one facing a charge of infringement of a patent that has once been declared
invalid." It concluded that, once a patent holder has been given his fair

65. See note 62 supra.
66. See note 63 supra.
67. 402 U.S. at 327.
68. Id. at 333.
69. As was stated by the Government in its amicus curiae brief, “[r]es judicata
and collateral estoppel are affirmative defenses that ordinarily must be pleaded,
which the defendant did not do here.” Brief for United States as Amicus Curiae at 37
n.16, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313
70. See note 57 supra. However, upon remand of the case to the Northern
District of Illinois, the petitioner did avail itself of the estoppel plea, and the
court accepted such plea as determinative of the case, although the University of
Illinois Foundation suggested several reasons why estoppel was inappropriate.
University of Ill. Foundation v. Blonder-Tongue Labs., Inc., 334 F. Supp. 47, 50
(N.D. Ill. 1971), aff’d, 465 F.2d 380 (7th Cir. 1972) (per curiam). See also Brief for
Appellant at 6, University of Ill. Foundation v. Blonder-Tongue Labs., Inc., 465 F.2d
380 (7th Cir. 1972) (per curiam); Kahn, Blonder-Tongue and the Shape of Future
71. 402 U.S. at 350.
opportunity procedurally, substantively, and evidentially to litigate the validity of his patent and once a determination of invalidity has been made, he is estopped from relitigating the issue of validity in any later infringement action he may bring.\textsuperscript{72}

In re-evaluating \textit{Triplett}, the Supreme Court encountered many competing policy considerations concerning the modification of its principles. \textit{Triplett} proponents,\textsuperscript{73} which certainly included all patent holders,\textsuperscript{74} have suggested the following reasons for maintaining its rule: (1) \textit{Triplett} constitutes the patentee's primary safeguard for justice in light of the present judicial inadequacies for proper patent validity determinations;\textsuperscript{75} (2) \textit{Triplett} has served the interests of both the public and the patentee, and any modification should be made by Congress alone;\textsuperscript{76} (3) \textit{Triplett} provides the opportunity to obtain different interpretations of difficult points of patent law;\textsuperscript{77} (4) many judges do not comprehend the intricacies of sophisticated technology patents and, without \textit{Triplett}, the uninformed decisions of such courts would become conclusive;\textsuperscript{78} (5) the problem

\begin{itemize}
\item \textsuperscript{72} Id. at 333, citing Eisel v. Columbia Packing Co., 181 F. Supp. 298, 301 (D. Mass. 1960).
\item \textsuperscript{73} In addition to both named parties to the action, a second respondent, JFD Electronics Corporation, urged continued adherence to \textit{Triplett}, as did the American Patent Law Association in an amicus curiae brief. Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971).
\item \textsuperscript{74} The individual standing to gain the most by the Supreme Court's reversal of \textit{Triplett} was petitioner Blonder-Tongue Laboratories. It, nevertheless, refused to urge such action by the Court. See note 57 supra.
\item \textsuperscript{75} See Brief for Petitioner at 9, 12 & 13, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971). See also notes 122-55 and accompanying text infra.
\item \textsuperscript{76} See Brief for Petitioner at 12-13, Brief for Respondent at 8-9, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971). The \textit{Triplett} Court noted that only a "legislative command" could justify allowing a plea of estoppel in a patent setting sans mutuality. 297 U.S. at 643. However, it is submitted that \textit{Triplett} represents merely a portion of the general body of common law, which it is wholly within the province of the Supreme Court to modify. See notes 51-56 and accompanying text supra. See also Evans & Roberts, supra note 36, at 193-95.
\item Both petitioner and respondent felt that congressional approval of \textit{Triplett} had been demonstrated by the defeat of legislation which would have granted conclusive effect to the first determination of invalidity. See Brief for Petitioner at 12-13, Brief for Respondent at 8-9, 21, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971). However, the specific legislation, S. 1042, 90th Cong., 1st Sess., § 294 (1967), and H.R. 5924, 90th Cong., 1st Sess., § 294 (1967), died in committee, and thus no fair picture of congressional approval or disapproval of \textit{Triplett} can be drawn therefrom. For an extensive examination of this legislation, see Rich, The Proposed Patent Legislation: Some Comments, 35 Geo. Wash. L. Rev. 641 (1967). See generally Rollins, supra note 3, at 574-82.
\item \textsuperscript{77} See Brief for Petitioner at 14-15, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971); Blonder-Tongue Symposium, supra note 1, at 724 (remarks of Mr. Robert Rines).
\end{itemize}
presented by relitigation of patents after an initial finding of invalidity is

de minimis and does not warrant Supreme Court intervention;\textsuperscript{79} (6)
reversal of \textit{Triplett} would not necessarily result in reduction of litigation;\textsuperscript{80}
and (7) reversal of \textit{Triplett} would adversely affect the public interest in
promoting valid patents.\textsuperscript{81} These views were rebutted by the Government
and Automatic Electric Company, both of whom urged reversal of \textit{Triplett}
in amicus curiae briefs.\textsuperscript{82}

The \textit{Blonder-Tongue} Court identified the following as the three major
issues which had to be considered in a re-examination of whether mutuality
of estoppel should be allowed to persist in patent litigation.\textsuperscript{83} (1) the
unique characteristics of the patent system demanding reaffirmation or
reversal of \textit{Triplett}; (2) the economic consequences of continued adherence
to \textit{Triplett}; and (3) the effect relitigation of patents has on judicial
administration. Upon consideration of these components, the Court
concluded that each dictated modification of \textit{Triplett}.

\footnotesize
79. \textit{See} Brief for Respondent at 16, Blonder-Tongue Labs., Inc. v. University
of Ill. Foundation, 402 U.S. 313 (1971); \textit{Blonder-Tongue Symposium, supra} note 1,
at 725 (remarks of Mr. Robert Rines). Other commentators have similarly suggested
the de minimis nature of the problem, basing their conclusion on the interpretation
of data compiled in a 1961 Senate Judiciary Committee report. \textit{Subcomm. on
PATENTS, TRADEMARKS, AND COPYRIGHTS, SENATE COMM. ON the JUDICIARY, AN
ANALYSIS OF PATENT LITIGATION STATISTICS, 86th Cong., 2d Sess. (1961).} \textit{See}
Halpern, supra note 78, at 17-18; Rollins, \textit{supra} note 3, at 569; \textit{Comment, supra
note 78, at 219.}
80. \textit{See} Brief for Respondent at 17, Blonder-Tongue Labs., Inc. v. University
of Ill. Foundation, 402 U.S. 313 (1971). Commentators speculate that if the
requirement of mutuality is dropped, "[t]he net result may well be an increase in
litigation." Rollins, \textit{supra} note 3, at 585. Mr. Rollins posits several reasons for this
conclusion all of which deal with the added incentives for a patentee to fully
litigate his claim and appeal an initial finding of invalidity "with all the resources
at his disposal." \textit{Id. See} Halpern, \textit{supra} note 78, at 18. Any such argument misconstrues
the concept of collateral estoppel, which is not aimed at limiting \textit{litigation}
but rather the \textit{reliotigation} of issues previously determined. Courtrooms will always
be available to those having legitimate claims to try and those seeking to appeal
incorrect decisions: it is the time consuming and judicially wasteful problem of
relitigation that the doctrine of collateral estoppel sans mutuality attempts to
eliminate. "\textit{N}o\textit{mutuality yields substantial benefits to the parties and the courts by
preventing relitigation of issues once tried, with concomitant judicial economics."}
Evans & Robins, \textit{supra} note 36, at 186.
81. \textit{See} Brief for Respondent at 20-21, Blonder-Tongue Labs., Inc. v. University
of Ill. Foundation, 402 U.S. 313 (1971). This argument recognizes that a reversal
of \textit{Triplett} weakens the whole patent system because patents will become increasingly
difficult to enforce, and fewer people will bother to invent. \textit{See also} Halpern, \textit{supra
note} 78, at 21.
82. \textit{See} Brief for United States as Amicus Curiae at 24-35, Brief for Automatic
Elec. So. as Amicus Curiae at 12-22, Blonder-Tongue Labs., Inc. v. University of Ill.
Foundation, 402 U.S. 313 (1971). Among the reasons advanced for reversal of
\textit{Triplett} were the following: (1) the interests of judicial economy and proper
administration of justice; (2) the public interest in striking down specious patents; (3)
the extraordinary expenses of patent litigation which present a great potential for
harassment; (4) the irreconcilability of inconsistent validity determinations with
a uniform federal patent system; (5) the congressional inactivity in confronting
the patent relitigation problem; and (6) the public interest in limiting monopolies. \textit{Id.}
83. 402 U.S. at 330.
1. **Unique Characteristics of Patent Litigation**

It is a fact of life for those practicing within the patent system that patent litigations sometimes raise issues so complex that scientifically untrained judges frequently are not competent to intelligently evaluate the validity of a patent. Consequently, the argument has been made that *Triplett* should be maintained because it affords the patentee a safeguard against unsound adjudications of invalidity by such courts. In evaluating this contention, the *Blonder-Tongue* Court noted the position it had previously adopted in *Graham v. John Deere Co.*

This is not to say, however, that there will not be difficulties in applying the nonobviousness test. The difficulties, however, are comparable to those encountered daily by the courts in such frames of reference as negligence and scienter, and should be amenable to a case-by-case development.

Relying upon this statement, the Court refused to draw any qualitative distinction between the relative difficulties encountered in resolving the issues presented in patent and nonpatent cases.

The *Blonder-Tongue* Court also questioned the effectiveness of *Triplett* as a “safeguard against faulty trials and judgments,” reasoning that if one district judge found a patent case incomprehensible, a second district judge

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84. For cases in which judges have admitted their “incompetence” to handle technical issues, see *Harry's Air King Prods. Co.*, 183 F.2d 158, 162, 164 (2d Cir. 1950); *Parke-Davis & Co. v. H.K. Mulford Co.*, 189 F. 95, 115 (S.D.N.Y. 1911). *Cf. Technograph Printed Circuits, Ltd. v. United States*, 372 F.2d 969, 978 (Ct. Cl. 1967). See also note 78 supra.

85. See notes 78 & 84 supra.

86. 383 U.S. 1 (1966), noted in 34 Geo. Wash. L. Rev. 802 (1966). In *Graham*, the Court attempted to create uniformity and definiteness in obviousness determinations by making 35 U.S.C. § 103 the applicable standard. 383 U.S. at 16–19. Its success has been marginal as “the various circuit courts of appeals have remained greatly divided over the applicable standards to be used . . .” *Halpern*, supra note 78, at 7.

For an analysis of *Graham*'s effect in the various circuits, see Note, *The Impact of the Supreme Court Section 103 Cases on the Standard of Patentability in the Lower Federal Courts*, 35 Geo. Wash. L. Rev. 818 (1967) [hereinafter cited as *Section 103 in the Federal Courts*].

87. 383 U.S. at 18.

88. 402 U.S. at 331.

89. The *Blonder-Tongue* Court observed that “[q]uestions on which patentability depends are more often than not no more difficult than those encountered in the usual nonpatent cases.” *Id.* at 332. This view had already been anticipated by some commentators. See, e.g., *Evans & Robins*, supra note 36, at 205–07. Using the same basic thought process as the *Blonder-Tongue* Court, these authors urged:

The complexity of patent litigation and the difficulty in resolving technical issues usually present in a patent litigation should not stand in the way of overruling *Triplett*. The requirement of mutuality of estoppel has been eliminated in other types of litigation involving equally complex subject matter and issues equally difficult to determine.

*Id.* at 205. In their conclusion Evans and Robins again anticipated the *Blonder-Tongue* holding:

There is no rational justification for continuing the requirement of mutuality of estoppel in patent cases when the requirement has been discarded in virtually every other kind of litigation, including that involving issues as complex, technical, and difficult of comprehension as those present in patent litigation.

*Id.* at 207.
would probably find it equally perplexing.\textsuperscript{90} Recognizing that the mere opportunity to relitigate the issue in other forums provided no assurance of more enlightened reasoning from the second court, the Court concluded that the mutuality doctrine preserved by \textit{Triplett} in no way afforded an adequate safeguard from the incompetence of the forum in patent litigation sufficient to justify its continued anachronistic existence.\textsuperscript{91} Consequently, the Court found it advisable to substitute a different safety valve. If the patentee could demonstrate that the judge in the prior suit comprehended neither the issues nor the technicalities involved therein, then the plea of estoppel would not lie, because the prior action would not have provided the patentee with his guaranteed “full and fair chance to litigate the validity of this patent.”\textsuperscript{92} Such a procedure is most effective because it affords the patentee a safeguard against improvident determinations of invalidity, and yet allows the defendant an estoppel plea after an informed and reasoned adjudication of invalidity.

\section*{2. Economic Consequences of Continued Adherence to \textit{Triplett}}

In reaching its decision to modify \textit{Triplett}, the \textit{Blonder-Tongue} Court was most profoundly influenced by economics.\textsuperscript{93} Noting the extraordinary expense involved in patent litigation,\textsuperscript{94} the Court reasoned that allowing a patent holder to maintain an infringement action after a prior determination of invalidity not only constituted substantial waste,\textsuperscript{95} but also presented a grave potential for abuse by way of harassment.\textsuperscript{96} The question of infringement cannot be settled without a full judicial inquiry into the validity of the patent allegedly infringed. Consequently, in allowing the patentee to maintain further actions of infringement after a determination of invalidity, \textit{Triplett} always forced a new defendant to fully

\begin{itemize}
    \item \textsuperscript{90} 402 U.S. at 334.
    \item \textsuperscript{91} Id.
    \item \textsuperscript{92} Id. at 333. See Evans \& Robins, supra note 36, at 207.
    \item \textsuperscript{93} The Court noted that “the economic consequences of continued adherence to \textit{Triplett} are serious.” 402 U.S. at 349. It is clear from the opinion that these consequences greatly motivated the Court’s decision “in favor of modification of the \textit{Triplett} mutuality principle.” Id. at 347.
    \item \textsuperscript{94} Id. at 334. The Court accepted $50,000 as the average cost incurred by a plaintiff in bringing an infringement action and litigating the validity of his patent. Since the alleged infringer must overcome the statutory presumption of validity provided by 35 U.S.C. § 282 (1970), the Court concluded that such a defendant has "even higher costs." Id. at 335. Some commentators maintain that the average cost of litigation is about $50,000 for each side. Rollins, supra note 3, at 562-63. See Halpern, supra note 78, at 15 n.120. Halpern also critically reviews the \textit{Blonder-Tongue} Court’s careless use of figures in its economic analysis. Id. at 13-15.
    \item \textsuperscript{95} 402 U.S. at 338.
    \item \textsuperscript{96} Id. at 338-39. By threatening to put the alleged infringer to his expensive proof, the holder of an invalid patent may coerce him to accept a licensing agreement rather than proceed to trial. See Anderson \& Roper, Limiting Relitigation by Defendant Class Actions from Defendant’s Viewpoint, 4 JOHN MARSHALL J. PRAC & P. 200, 210 \& n.35 (1971), wherein the authors describe a situation in which an alleged infringer agreed to pay a six-figure sum for settlement on the eve of trial, even though the patent sued upon had already been declared invalid. Occurrences such as these seriously undermine any contention that the economic consequences of relitigation of the patent validity issue are “slight.” See Comment, supra note 78, at 216.
\end{itemize}
relitigate the issue of validity. Threats of such onerous and expensive litigation unquestionably enhance the ability of "holders of invalid patents to exact licensing agreements or other settlements from alleged infringers,"97 even after the patent had already been adjudged invalid, thereby yielding the anomalous result that the patentee realized income from a device which "fails to meet the congressionally imposed criteria of patentability."98 In addition to unjust enrichment, it has also been demonstrated that licensing agreements thrust upon an alleged infringer, even after a determination of invalidity, create grave economic consequences for the licensee99 and the consuming public as well.100 Invariably, the price of the invalidly patented article will increase because (1) the threat of an infringement suit limits competition in the patented article to the patent owner and his licensees,101 and (2) the price of articles distributed by the licensee is inflated since it includes the cost of his license.102 Recognition of this severe financial impact undoubtedly led the Court on prior occasions to acknowledge the "important public interest in permitting full and free competition in the use of ideas which are in reality a part of the public domain."103

In the years following the Triplett decision, most courts have recognized that this public interest necessitated the judicial elimination of specious patents,104 and have consequently adopted procedures focused upon the effectuation of this public purpose. Recognizing that invalid patents could never be identified and eliminated unless subjected to judicial scrutiny, courts have attempted to increase the opportunities at which the

97. 402 U.S. at 342. "[P]rospective defendants will often decide that paying royalties under a license or other settlement is preferable to the costly burden of challenging the patent." Id. at 338. See Picard v. United Aircraft Corp., 128 F.2d 632, 641 (2d Cir. 1942) (Frank, J., concurring); Rollins, supra note 3, at 563-64. Mr. Rollins demonstrates that the prime source of abuse is infringement suits that are threatened or initiated but withdrawn before any determination of validity. Consequently, actions threatened after a determination of invalidity represent only the visible portion of the iceberg. Mr. Rollins' assertion is sound, but since it is beyond the power of the judiciary to control such abuse, the proper solution lies in legislative action.

98. 402 U.S. at 343.

99. The Blonder-Tongue Court specifically examined the economic consequences that such licensing agreements have on the licensee. Id. at 346-47.

100. See Cover v. Schwartz, 133 F.2d 541, 545 (2d Cir. 1943). See also Pope Mfg. Co. v. Gormully, 144 U.S. 224, 234 (1892), wherein the Court acknowledged that "[i]t is . . . important to the public that competition should not be repressed by worthless patents . . . ."


103. Lear, Inc. v. Adkins, 395 U.S. 653, 670 (1969), noted in 38 FORDHAM L. REV. 568 (1970). In Lear, an inventor granted a licensing agreement to his former employer allowing it to manufacture gyroscopes. At the time the agreement was consummated the patent for such gyroscope was still pending before the Patent Office. Prior to the issuance of the patent, Lear, the licensee, stopped paying royalties, and as a result, the licensor sued for breach of the licensing agreement. The licensee attempted to demonstrate the invalidity of the patent, but the lower courts held that the existence of a licensing agreement estopped the licensee from denying the validity of the patent. The Supreme Court, however, repudiated the concept of licensee estoppel and concluded that in a licensor's suit to collect royalties, the licensee may properly avoid payment of royalties by proving the invalidity of the patent. Id. at 672-73. See generally Comment, The Viability of Trade Secret Protection After Lear v. Adkins, 16 VILL. L. REV. 551, 556-58 (1970).

issue of validity may be raised, and the class of persons who may in turn raise the issue. One manifestation of this policy can be seen in the judiciary's willingness to make a determination as to the validity of a patent in all patent cases, even those in which the court concludes there has been no infringement.\textsuperscript{105} This same policy undoubtedly was instrumental in \textit{Kerotest Manufacturing Co. v. C-O-Two Co.},\textsuperscript{106} wherein the Court established that a manufacturer could bring a summary action seeking a declaratory judgment of invalidity at any time prior to the patentee's initiation of an infringement action against him.\textsuperscript{107} Once again, in \textit{Lear v. Adkins},\textsuperscript{108} the Court dealt a blow to the invalid patent monopolies by subjecting patents to the judicial test of validity at the urging of persons theretofore estopped from challenging validity, \textit{viz.} licensees.\textsuperscript{109}

A stringent examination of patent validity "whenever the issue of invalidity is before the court"\textsuperscript{110} most assuredly maintains the public interest in permitting full and free competition at least in theory, because once a patent is judicially declared invalid, the invention reverts to the public domain.\textsuperscript{111} \textit{Triplett} subverted judicial attempts to effectuate this public purpose, and denied the consuming public any benefit from determinations of invalidity by permitting the patentee to acquire indirectly through coercion the economic rewards to which only the holder of a valid patent was entitled.\textsuperscript{112} In view of the judiciary's repeatedly demonstrated efforts

\textsuperscript{105} In order to win an infringement suit, the patentee must prove not only that his patent was valid, but also that it was infringed. Consequently, if the court concludes that the patent has not been infringed, it need not consider the question of validity in order to adjudicate the controversy, for the patentee has already lost his case. Recognizing a need to protect the public against possible invalid patent monopolies, the lower federal courts, nevertheless, determine the validity of the patent. \textit{See} Cover v. Schwartz, 133 F.2d 541 (2d Cir. 1943), wherein the Second Circuit noted:

"There is no requirement that the court must first pass on the issue of infringement and, if it decides that there is no infringement, must refuse to decide that the patent is invalid. Indeed, since the public is affected, there is much to be said for a decision in such case as to the invalidity of the alleged patent monopoly... whenever the issue of invalidity is before the court and the evidence warrants such a decision. For a decision as to invalidity will tend to discourage suits against others based on that patent, and mere threats of patent suits, due to expense of defending such litigation, may often prevent lawful competition which will be in the public interest..."

\textit{Id.} at 545. \textit{See also} Trico Prod. Corp. v. Anderson Corp., 147 F.2d 721, 723 (7th Cir. 1945). The Supreme Court has adopted the view of the \textit{Cover} court as the "better practice." Sinclair Co. v. Interchemical Corp., 325 U.S. 327, 330 (1945).

\textsuperscript{106} 342 U.S. 180 (1952).

\textsuperscript{107} \textit{Id.} at 185-86. The value of the \textit{Kerotest} decision is that it allows the "infringer" to take the choice of forum away from the patentee by maintaining an action for a declaratory judgment of invalidity. \textit{See} Rollins, \textit{supra} note 3, at 567. However, in maintaining such an action, the "infringer" invites a counterclaim for infringement; consequently the action presents a substantial risk for him. \textit{Id.}


\textsuperscript{109} 395 U.S. at 670-71.

\textsuperscript{110} Cover v. Schwartz, 133 F.2d 541, 545 (2d Cir. 1943).

\textsuperscript{111} \textit{See} Comment, \textit{supra} note 103, at 551-52. \textit{See also} notes 102-03 and accompanying text \textit{supra}.

\textsuperscript{112} Chief Judge Hastie of the Third Circuit remarked upon this anomalous situation as follows: "The result is that invalidated patents may have nearly as much force as valid ones, and the public may have to pay tribute to would-be
to protect the consuming public from the increased financial burden resulting from the continuation of monopolies based upon invalid patents and the marked tendency of Triplett to frustrate such efforts, an additional reason for modification of Triplett became apparent. Accordingly, the Blonder-Tongue decision insures that those inventions presently hoarded through invalid patent monopolies, made possible by the threat of litigation, will, upon a determination of invalidity, be immediately returned to the public domain and unfettered competition.

3. Effect on Proper Court Administration

In examining the scope of the problem presented to the lower federal courts by the relitigation of patents after a determination of invalidity, the Blonder-Tongue Court was confronted with statistics demonstrating that only 2.7 patents were relitigated annually during the period 1948-59.113 Even though the Court conceded that the burden on the lower federal courts was minimal, the Court nevertheless concluded that the economic repercussions of continued adherence to Triplett were so drastic as to warrant its modification irrespective of other factors. The fact that there would probably be a saving of judicial time resulting from the reversal of Triplett was merely an "incidental matter."114

In expounding upon the economic considerations, the Court could have borrowed a line from Bernhard and concluded that the relatively few number of cases involved presented "[n]o satisfactory rationalization . . . for the requirement of mutuality."115 However, in light of the Blonder-Tongue Court's overwhelming concern for economics, if one were to urge the Court to ignore the problem, simply because of the relative insignificance of the burden on the federal courts, it would be comparable to urging someone not to shoo a fly off his nose, because it does not weigh very much.

C. Analysis of the Opinion

It was most appropriate for the Blonder-Tongue Court to embrace within the penumbra of patent law the concept of collateral estoppel sans mutuality — especially when such a doctrine has virtually universal acceptance in other areas of the law.116 As a result of Blonder-Tongue, a defendant in a patent case may now avail himself of the collateral estoppel doctrine on issues previously litigated by the plaintiff. Once the defendant

monopolists' even after a holding of invalidity." Nickerson v. Kutschera, 419 F.2d 983, 988 n.4 (3d Cir. 1969) (Hastie, C.J., dissenting).
113. See Rollins, supra note 3, at 569. The Blonder-Tongue Court noted that many of these patents were repeatedly sued upon after the initial determination of invalidity. 402 U.S. at 348.
114. 402 U.S. at 349.
116. See notes 21-28 and accompanying text supra. But see Halpern, supra note 78, at 5, wherein the author suggests that the Blonder-Tongue decision "exhibits an unawareness as to the state of patent law."
asserts a plea of collateral estoppel, the burden shifts to the patent holder who must then demonstrate that the prior litigation did not present him with the requisite "full and fair chance to litigate the validity of his patent."\textsuperscript{117} Only if the patentee is able to carry this burden and thereby demonstrate "that he did not have 'a fair opportunity procedurally, substantively and evidentially to pursue his claim the first time',"\textsuperscript{118} will he then be permitted to relitigate the validity of his patent.

Procedurally, in examining pleas of estoppel, the second court sits as a court of review over the first court. Consequently, the fairness and effectiveness of the abrogation of mutuality in patent cases, depends upon the proper implementation of \textit{Blonder-Tongue} by the district courts. \textit{Blonder-Tongue} critics fear that the lower federal courts will misuse the Court's mandate by blindly applying estoppels and consequently frustrate justice.\textsuperscript{119} However, the \textit{Bernard} decision was greeted with similar skepticism which proved to be unfounded,\textsuperscript{120} and it is submitted that the lower federal courts will be equally judicious in applying \textit{Blonder-Tongue}.\textsuperscript{121}

While the \textit{Blonder-Tongue} decision is praiseworthy for what it achieved, it is, nevertheless, deficient in several respects. The Court made a substantial departure from precedent in granting conclusive effect to the first determination of invalidity but refused to take any action whatsoever to ensure the substantive accuracy of that determination. In so acting, the Court adopted the view of those commentators\textsuperscript{122} who suggest that the problems presented by patent relitigation can be solved by either of the following approaches independently: by increasing the conclusive effect afforded the initial determination or by increasing the reliability of such a determination. It is submitted that both steps must be taken \textit{simultaneously} to effectively eliminate such problems. Making the first determination conclusive, might, on the one hand, cause the loss of many

\textsuperscript{117} 402 U.S. at 333. \textit{See} text accompanying notes 91-92 supra.

\textsuperscript{118} 402 U.S. at 333, \textit{quoting} Eisel v. Columbia Packing Co., 181 F. Supp. 298, 301 (D. Mass. 1960). \textit{The Blonder-Tongue} Court noted several factors which might properly lead a district court to reject an estoppel plea: (1) choice of forum considerations; (2) patentee's lack of incentive to litigate; (3) failure of the earlier court to "purport" to employ the \textit{Graham} standards of obviousness; (4) failure of the earlier court to comprehend the basic technical issue; and (5) legitimate and unavoidable unavailability of crucial evidence or expert witnesses. 402 U.S. at 333. In delineating such factors, the Court apparently recognized the need for a thorough case-by-case examination to ensure that the estoppel plea would not subvert the interests of justice. For other factors that might properly induce a district court to exclude an estoppel plea, \textit{see} Evans & Robins, \textit{supra} note 36, at 206-07.

\textsuperscript{119} \textit{See} \textit{Blonder-Tongue Symposium, supra} note 1, at 725 (remarks of Mr. Robert Rines).

\textsuperscript{120} \textit{See} note 26 and accompanying text \textit{supra}.

\textsuperscript{121} \textit{See} Black, Sivalls & Bryson, Inc. v. National Tank Co., 445 F.2d 922 (10th Cir. 1971). In \textit{Black}, the Tenth Circuit recognized the importance \textit{Blonder-Tongue} placed on the first adjudication of validity, and consequently reversed and remanded a district court decision of invalidity to ensure that the patentee was granted a full and fair hearing. \textit{Id.} at 926 n.2, 927. \textit{Black} demonstrates that the circuit courts intend to take the appropriate steps for the proper application of \textit{Blonder-Tongue}. \textit{See} Blumcraft of Pittsburgh v. Kawneer Co., 318 F. Supp. 1399 (N.D. Ga. 1971), wherein the court refused to grant an estoppel plea based on a prior finding of invalidity because such plea would have frustrated the interests of justice.

\textsuperscript{122} \textit{See} Halpern, \textit{supra} note 47, at 771 n.53; Rollins, \textit{supra} note 3, at 590.
valid patents through erroneous decisions, while increasing the reliability of the initial determination does not resolve the problem of coerced licensing agreements on the other. In granting conclusive effect to the first determination of invalidity — be it right or wrong — the Blonder-Tongue Court perpetuated the greatest source of error in patent validity determinations.\footnote{122} Clearly, several circuits had applied contradictory tests of obviousness, with Blonder-Tongue presenting just such a situation — two circuits, upon examination of the same prior art references, came to contrary conclusions in regard to obviousness.\footnote{124} Blonder-Tongue afforded the Court the perfect opportunity to establish a uniform standard.\footnote{125} However, even though this issue was properly before the Court and had been fully briefed,\footnote{126} the Court deliberately opted for another route and limited its examination to the continued viability of Triplett.

When confronted with this problem of nonuniform application of the obviousness standards in \textit{Graham v. John Deere Co.},\footnote{127} the Supreme Court did not hesitate to intervene and take corrective action. In 1952, Congress enacted 35 U.S.C. § 103,\footnote{128} which eliminated the judicial requirement of “invention”\footnote{129} as a criterion for patentability, and substituted the statutory criterion of nonobviousness, to establish uniformity among the courts on the issue of patentability.\footnote{130} Nevertheless, for fourteen years

\begin{footnotesize}
\begin{enumerate}
  \item[123.] See I. Kayton, Status of Proprietary Rights in the United States for Computer Program Listings and Processes (1971) (copy on file at Villanova Law Review office). Professor Kayton maintains that: The U.S. courts of appeals are hopelessly divided on the meaning of nonobviousness and thus over what is patentable under Section 103. Moreover, the Supreme Court’s . . . refusal to address itself to the issue in Blonder-Tongue Laboratories guarantees that this confusion will rampant reign for a long time to come. Id. at 4.
  \item[124.] See notes 62–64 and accompanying text \textit{supra.}
  \item[125.] See Halpern, \textit{supra} note 47, at 767.
  \item[126.] See Brief for the American Patent Law Association as Amicus Curiae at 28–29, Brief for Petitioner at 6–7, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971). The Blonder-Tongue Court stated, “[i]n taking this action [overruling Triplett and remanding Blonder-Tongue], we intimate no views on the other issues presented in this case.” \textit{Id.} at 359.
  \item[127.] 383 U.S. 1 (1966). The Fifth Circuit had previously held the Graham patent valid in Jeffroy Mfg., Inc. v. Graham, 219 F.2d 311 (5th Cir. 1955). Nine years later, the Eighth Circuit concluded the patent was invalid in John Deere Co. v. Graham, 333 F.2d 529 (8th Cir. 1964). The Supreme Court affirmed the Eighth Circuit’s determination of invalidity but specifically noted that both circuits failed to apply the proper test of obviousness. 383 U.S. at 4. \textit{See} note 86 \textit{supra.}
  \item[129.] See Hotchkiss v. Greenwood, 52 U.S. (11 How.) 248 (1850). In Hotchkiss, the Court upheld the invalidity of a patent and concluded that, to be patentable, a device must evidence more ingenuity and skill than possessed by one ordinarily skilled in the art. \textit{Id.} at 267. Hotchkiss was interpreted as establishing the judicial requirement of “invention.” \textit{See} Graham v. John Deere Co., 383 U.S. 1, 11 (1966). This requirement of “invention” proved to be highly subjective and was applied by the courts with differing degrees of severity. \textit{See}, e.g., Cuno Eng'g Corp. v. Automatic Devices Corp., 314 U.S. 84, 91 (1941) (requiring the device to be the result of a “flash of creative genius”); in Great Atl. & Pac. Tea Co. v. Supermarket Equip. Corp., 340 U.S. 147 (1950), the Court reaffirmed this requirement of “invention” and concluded that a device which combined elements previously known in the art was unpatentable for “lack of invention” unless it performed some new and different function. \textit{Id.} at 151–52.
\end{enumerate}
\end{footnotesize}
after its enactment the courts refused to implement section 103 and adhered to the “invention” test, or basic modifications of it.\textsuperscript{131} Recognizing the congressional purpose in enacting section 103 and the frustration thereof by continued judicial application of the subjective “invention” test,\textsuperscript{132} the Graham Court properly endorsed section 103 as the appropriate judicial standard. In order to further ensure uniformity of application, the Court delineated a three-step process to be employed by the lower federal courts in determining the obviousness or nonobviousness of the subject matter in question: (1) determination of the scope and content of the prior art; (2) ascertainment of the differences between the prior art and the claims presently at issue; and (3) resolution of the level of ordinary skill in that art.\textsuperscript{133} The Graham Court asserted that compliance with this procedure would assure the uniformity and definiteness which Congress intended to effectuate through enactment of section 103.\textsuperscript{134} However, studies of the validity/invalidity ratios of the various circuit courts\textsuperscript{135} clearly demonstrate that the Graham decision failed in its attempt to establish uniformity among the federal courts in the application of the obviousness standards.

\*\textbf{Courts of Appeals Patent Validity Holdings*} \n
<table>
<thead>
<tr>
<th>Circuit</th>
<th>After Graham and before Blonder-Tongue</th>
<th>After Blonder-Tongue</th>
<th>Composite: February 1966 to March 1972</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(3/9) 33.3%</td>
<td>(0/3) 0.0%</td>
<td>(3/12) 25.0%</td>
</tr>
<tr>
<td>2</td>
<td>(8/30) 26.6%</td>
<td>(0/8) 0.0%</td>
<td>(8/38) 21.1%</td>
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<tr>
<td>3</td>
<td>(5/19) 26.4%</td>
<td>(3/8) 37.5%</td>
<td>(8/27) 29.6%</td>
</tr>
<tr>
<td>4</td>
<td>(3/22) 13.6%</td>
<td>(1/6) 16.6%</td>
<td>(4/28) 14.2%</td>
</tr>
<tr>
<td>5</td>
<td>(16/37) 43.2%</td>
<td>(4/6) 66.6%</td>
<td>(20/43) 46.5%</td>
</tr>
<tr>
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<td>(3/5) 60.0%</td>
<td>(14/27) 51.8%</td>
</tr>
<tr>
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<td>(38/81) 46.9%</td>
<td>(7/11) 63.6%</td>
<td>(45/92) 48.9%</td>
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<tr>
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<td>(2/5) 40.0%</td>
<td>(2/23) 8.07%</td>
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<tr>
<td>9</td>
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<td>(1/7) 14.2%</td>
<td>(11/66) 16.6%</td>
</tr>
<tr>
<td>10</td>
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<td>(2/3) 66.6%</td>
<td>(3/10) 30.0%</td>
</tr>
<tr>
<td>D.C.</td>
<td>(1/6) 16.6%</td>
<td>(1/6) 16.6%</td>
<td>(119/372) 31.8%</td>
</tr>
<tr>
<td>Total</td>
<td>(96/310) 31.0%</td>
<td>(23/62) 37.1%</td>
<td>(119/372) 31.8%</td>
</tr>
</tbody>
</table>

* This table was compiled from an examination of the cases reported in the United States Patent Quarterly. It includes all the cases reported subsequent to the Supreme Court decision in Graham up to, and including, December 18, 1972.

\textsuperscript{131} See Halpern, supra note 78, at 7–8 n.92; Section 103 in the Federal Courts, supra note 86, at 818.

\textsuperscript{132} It was the recognition of the inherent vagueness and highly subjective nature of the "invention" requirement which led Congress to enact section 103. See Halpern, supra note 78, at 7 n.92; 34 GEO. WASH. L. REV. 802, 804 (1966).

\textsuperscript{133} See 383 U.S. at 17.

\textsuperscript{134} Id. at 18.

\textsuperscript{135} See Table, p. 227, infra. For earlier data comparing the validity ratios of the various circuits, see I. Kayton, supra note 123, at 20–21. For a compilation of Eighth Circuit cases interpreting validity standards, see Comment, supra note 4, at 684.
It is apparent from an examination of these statistics that *Graham* has not precipitated the application of any uniform test for obviousness.\(^{136}\) The Fifth, Sixth, and Seventh Circuits, having respective validity ratios of 46.5 per cent, 51.8 per cent, and 48.9 per cent, are clearly applying different standards than the Fourth, Eighth, Ninth, and District of Columbia Circuits, which show validity ratios of 14.2 per cent, 8.07 per cent, 16.9 per cent, and 16.6 per cent respectively. A review of similar data for prior years has led some commentators to conclude that the Fifth and Seventh Circuits are consistent with *Graham* and have properly applied the standards of section 103,\(^{137}\) while the Eighth and Ninth Circuits have applied improper standards.\(^{138}\)

The statistics also demonstrate that prior to *Blonder-Tongue* the patent holder's ability to secure an adjudication of validity depended primarily upon the circuit in which he initiated his infringement suit,\(^ {139}\) and to a lesser degree upon the panel of judges hearing his appeal.\(^ {140}\) Compounding the problem of nonuniform standards was the fact that application of improper obviousness criteria made the invalidity findings of many circuits questionable, and application of such improper standards has in fact resulted in a substantial number of incorrect determinations of invalidity.\(^ {141}\) The Supreme Court has recognized this problem, and upon relitigation, has reversed prior incorrect determinations of invalidity.\(^ {142}\)

However, as a result of *Blonder-Tongue*, no opportunity will be presented

\(^{136}\) Three standards of patentability are applied in determining the validity of a patent — utility, novelty, and obviousness — as delineated in 35 U.S.C. §§ 101-13 (1970). Accordingly, the statistics presented in the table (see p. 227 supra) include patents held invalid for reasons other than obviousness. It should be noted, however, as most commentators are quick to demonstrate, that obviousness is the most prevalent issue in validity determinations. See Halpern, supra note 78, at 6; I. Kayton, supra note 123, at 5; Comment, supra note 4, at 681. See generally Abramson, supra note 78, at 407-10.

\(^{137}\) See Halpern, supra note 78, at 7, 8, 9 & n.93; I. Kayton, supra note 123, at 4, 6, 22 n.16. Professor Kayton indicates that the Sixth Circuit was moving toward acceptance of the proper standard of obviousness. I. Kayton, supra note 123, at 6. A review of the Sixth Circuit decisions since Professor Kayton's observation leads this writer to conclude that the Sixth Circuit is, at present, correctly implementing the standards of section 103 and *Graham*. See Tapco Prods. Co. v. Van Mark Prods. Corp., 446 F.2d 420, 426-27 (6th Cir. 1971), cert. denied, 404 U.S. 986 (1971); Westwood Chem., Inc. v. Owens-Corning Fiberglas Corp., 445 F.2d 911, 914 (6th Cir. 1971), cert. denied, 405 U.S. 917 (1972).

\(^{138}\) See Halpern, supra note 78, at 9. Mr. Halpern suggested that the Eighth and Ninth Circuits have reverted to the improper "invention" test which *Graham* specifically abrogated. See also I. Kayton, supra note 123, at 4, 6, 22 n.16. Professor Kayton also indicates that the Third and District of Columbia Circuits frequently apply the incorrect standard. Id. at 4, 22 n.16.

\(^{139}\) See generally Halpern, supra note 78, at 10.

\(^{140}\) Final determinations of patent validity are made by a three-judge panel of the circuit courts of appeal. Thus, while there are presently 131 active circuit court judges sitting in the eleven circuits (see 331 F. Supp. VII-XXI (1972)), each decision reflects the opinion of only three judges in each of the circuits.

\(^{141}\) See Rollins, supra note 3, at 569-70. Rollins demonstrates that, of the 27 "invalid" patents relitigated during the years 1948-59, nine involved redeterminations of validity, and seven of these were subsequently declared valid. This probably indicates an erroneous decision in the first adjudication. Id. at 570. See note 113 and accompanying text, supra.

to correct such improvident determinations because even incorrect decisions may be pleaded as collateral estoppel.

Through its decision in Blonder-Tongue, the Court has precluded subsequent suits based upon an invalid patent. Although courts have previously expressed the view that "[i]t is just as important that a good patent be ultimately upheld as that a bad one be definitively stricken," the Blonder-Tongue Court refused to equate these two goals. While the Court took definitive action to ferret out invalid patents, it took absolutely no action to insure the reliability or uniformity of invalidity determinations, and reference to the aforementioned statistics demonstrates that the nonuniform application of the obviousness criteria has persisted since Blonder-Tongue. It is therefore fair to conclude that patents are still being erroneously invalidated. Nevertheless, the Supreme Court has decided that the first determination of invalidity — even if erroneous — is conclusive, and consequently the federal court making this determination is the final arbiter of all rights and duties emanating from the patent. Such an approach by the Court is sure to result in unwarranted overkill, and the consequent sacrifice of valid patents by their being erroneously adjudged invalid. Had the Blonder-Tongue rationale been implemented previously, the famous Tatko and Aghnides patents, for example, would have been sacrificed, as the validity of both was established only upon relitigation after an initial finding of invalidity.

Unless the Supreme Court's present policy with respect to granting certiorari is modified, it will be deciding significantly fewer patent cases as a result of Blonder-Tongue. The Court's prior practice and present guidelines suggest that certiorari will be granted only where there are

143. Technograph Printed Circuits, Ltd. v. United States, 372 F.2d 969, 978 (Ct. Cl. 1967).

144. It is interesting to note that, since Blonder-Tongue, the circuit courts have been upholding the validity of a greater percentage of patents — 31.0 per cent pre-Blonder-Tongue and 37.1 per cent post-Blonder-Tongue. See Table, p. 227, supra. Blonder-Tongue has had a notable effect in the Eighth Circuit. After a wait of some 5½ years, the Eighth Circuit finally upheld a patent in Woodstream Corp. v. Herters, Inc., 446 F.2d 1143 (8th Cir. 1971). In examining the alleged obviousness of certain patents for animal traps, the Eighth Circuit noted that the Blonder-Tongue Court viewed patents as a favored class of litigants. Id. at 1149-50. Perhaps this statement from Blonder-Tongue indirectly prodded the Eighth Circuit into properly applying the obviousness standard of section 103 and Graham and into abdicating the stricter "invention" test it had been using. See note 138 and accompanying text supra. However, other post-Blonder-Tongue decisions by the Eighth Circuit, in which the improper standard was applied, support the conclusion that the Eighth Circuit has not yet accepted the proper standard of obviousness. See Gallo v. Norris Dispensers, Inc., 445 F.2d 649 (8th Cir. 1971); Ralston Purina Co. v. General Foods Corp., 442 F.2d 389 (8th Cir. 1971).

145. See Rollins, supra note 3, at 602-03. Mr. Rollins discusses the legislative in rem proposals, but his conclusions are most appropriate to Blonder-Tongue's preclusive effect given the first litigation.

146. For a history of the litigation surrounding these patents, see Rollins, supra note 3, at 594-99; Brief for the United States as Amicus Curiae at 32 n.12, Blonder-Tongue Labs., Inc. v. University of Ill. Foundation, 402 U.S. 313 (1971).

147. See Technograph Printed Circuits, Ltd. v. United States, 372 F.2d 969, 978 (Ct. Cl. 1967); note 3 supra.

conflicting circuit court decisions on the validity of a patent. In the wake of Blonder-Tongue such conflicting decisions will result only if the patent is held valid in the first adjudication, and invalid in a later suit against a different infringer. Consequently, a patent holder whose patent is initially declared invalid has only a limited appeal to the circuit court, no matter how clearly erroneous the invalidity decision may be. In view of the Blonder-Tongue Court's refusal to delineate the proper validity standards, it is submitted that the Court should grant certiorari, apart from any conflict among the circuits, in order to avoid the possible "sacrifice" of such patents due to application of erroneous obviousness standards. Such action, while contrary to its present policy, would not be without Supreme Court precedent, for in Schriber Co. v. Cleveland Trust Co., the Court granted certiorari to a patent case recognizing the "improbability" that any future litigation would result in a conflicting circuit court decision. Assuming a full and fair hearing at the initial adjudication of invalidity, it is submitted that Blonder-Tongue makes impossible not only conflicting decisions, but also future litigations.

However, increased Supreme Court review of erroneous decisions of patent invalidity would merely reduce but not resolve the problem left unanswered by Blonder-Tongue. A proper resolution of the problem mandates Supreme Court reaffirmation of section 103, as interpreted in Graham, as the sole standard for determining obviousness. The failure of the Court to do this in so proper a vehicle as Blonder-Tongue is unfortunate. It can only be hoped that the Court is not in the midst of another fourteen year delay before re-examining nonuniform and erroneous application of the patentability criteria.

149. If the patent is initially declared invalid, the patent holder is obviously estopped from asserting validity in a later suit, and hence there can be no conflicting view.
150. Cf. Rollins, supra note 3, at 574.
151. See note 148 and accompanying text supra.
152. 305 U.S. 47 (1938).
153. Id. at 50. Schriber involved patents relating to pistons employed in internal combustion engines of automobiles. The Court granted certiorari, feeling "litigation elsewhere with a resulting conflict of decision was improbable because of the concentration of the automobile industry in the sixth circuit." Id. See also Paramount Publix Corp. v. American Tri-Ergon Corp., 294 U.S. 464 (1935).
154. The American Patent Law Association recognized that such action was necessary to obtain uniformity among the courts in application of patentability standards. In its amicus curiae brief, it urged the Blonder-Tongue Court to:
(1) Reaffirm that Section 103 as interpreted in [Graham] is the only standard for determining the patentability of new contributions to the useful arts;
(2) Declare that since all inventions are combinations of old elements, all inventions are to be subjected to the same standard of patentability; (3) Prescribe that under the [Graham] criteria, the so-called "secondary considerations" must be included as an integral part of the evidence to be reviewed prior to the determination of the obviousness issue.

155. Congress passed section 103 in 1952, and the courts immediately adopted various interpretations of it. It was not until the Graham decision in 1966 that the Court finally elected to delineate the proper procedure for applying section 103. See text accompanying notes 127-33 supra.
D. An Unanswered Question

Here I sit as the second judge. I learn that a district court somewhere else has held the patent invalid. What do I do? Is that a final decision of the type meant by the Supreme Court? Do I have to sit and wait until a court of appeals decides that the patent was invalid; and then do I have to wait until the Supreme Court has denied certiori [sic] before applying estoppel?156

It would seem to be sound judicial policy to grant estoppel only to those prior decisions of invalidity from which no appeal is or can be taken, for any other decision is not truly final, as it ultimately could be overturned on appeal. Granting estoppel to the latter type of decision could prove most unfair, if an appellate court subsequently were to reverse the decision upon which the estoppel plea was based. Regrettably, however, in discussing the finality, and hence "pleadability," of an invalidity determination, the Blonder-Tongue opinion was flagrantly vague, though textual hints throughout the opinion suggest that the Court intended to limit application of estoppel to nonappealable determinations of invalidity.157 If this interpretation is accurate, then only the following properly qualify as final decisions: (1) a Supreme Court decision; (2) a lower federal court decision to which appellate review has been denied;158 and (3) a lower federal court decision which has not been appealed.159

156. Blonder-Tongue Symposium, supra note 1, at 726 (remarks of Mr. Robert Rines).
157. See Kahn, supra note 70, at 584, 585-86.
158. Upon remand of the instant case to the Northern District of Illinois, the University of Illinois unsuccessfully urged that the prior determination of invalidity had not become final for purposes of estoppel, until the Supreme Court denied certiorari on March 24, 1969, well over a year after the Blonder-Tongue trial had been concluded. In its appeal from the district court decision rejecting this argument, it was the Foundation's contention that if a patent holder is pursuing the avenues of appeal after an initial determination of invalidity, the decision becomes final only upon the Supreme Court's decision on the merits or its denial of certiorari. See Brief for Appellant at 18-19, University of Ill. Foundation v. Blonder-Tongue Labs., Inc., 465 F.2d 380 (7th Cir. 1972) (per curiam).
159. In Bourns, Inc. v. Allen-Bradley Co., 348 F. Supp. 554 (N.D. Ill. 1972), the court allowed an estoppel plea based upon a prior district court determination of patent invalidity. The patent had previously been adjudged invalid in Bourns, Inc. v. Dale Electronics, Inc., 308 F. Supp. 501 (D. Neb. 1969). Since the patentee subsequently abandoned his appeal to the Eighth Circuit, it is posited that the bare district court determination was final and a proper basis for a plea of estoppel. Nevertheless, it is also submitted that the Bourns decision is erroneous. In the Nebraska action, Bourns sued only one infringer and sought approximately one million dollars in damages. On the other hand, the Illinois action represented a class action against six corporate defendants in which the patentee alleged damages "far in excess of the million dollars or so sought in Nebraska." Bourns, Inc. v. Allen-Bradley Co., 348 F. Supp. 554, 558 (N.D. Ill. 1972). In light of the more meaningful Illinois action, it would appear that the patentee was well advised to abandon his appeal to the Eighth Circuit and concentrate exclusively on the Illinois action. Lacking the proper initiative to fully litigate his patent through the Eighth Circuit appellate process, the patentee should not have been estopped by its determination of invalidity. A proper reading of Blonder-Tongue indicates that if a patentee can demonstrate that in the prior determination of invalidity, he lacked the proper incentive "to litigate to the finish against the defendant there involved," he should not be estopped by that adjudication. 402 U.S. at 332 (emphasis added). Consequently, it is submitted that although the Nebraska adjudication possessed the requisite
While such might be the most reasonable interpretation of what should be deemed a final decision for purposes of estoppel, it is not the one presently employed by the lower federal courts. Section 1291 of the Judicial Code suggests that a bare district court decision is a “final decision,” and the courts have indeed granted estoppel based upon district court findings of invalidity. In *Monsanto Co. v. Dawson Chemical Co.*, the Fifth Circuit reversed a trial court’s determination of validity, and upon remand directed the district court to grant a plea of estoppel based on a prior “final judgment” of invalidity entered by a federal district court in Pennsylvania. Had the Pennsylvania decision been reversed on appeal, which it was not, the ultimate result of *Monsanto* would have been multiplication of the unjust results inherent in any erroneous district court opinion. In *Blumcraft of Pittsburgh v. Kawneer Co.*, the trial court was faced with a situation quite analogous to that presented by *Monsanto*. Although co-ordinate courts had come to opposite conclusions on the validity of the questioned patent, the defendant sought to enter an


Given the background of the *Monsanto* litigations, the Fifth Circuit’s decision is a result of *Monsanto*, one would expect that, whenever a patentee brings concurrent infringement suits against two different infringers in different judicial districts, both of the alleged infringers will attempt to delay the litigation in the hopes that the other case will be decided first. In such a situation, the delay tactics are extensive, and the potential reward is very attractive. *See Sperber, The Strategy of Delaying and Expediting Patent Prosecution*, 52 J. Pat. Off. Soc’y 141 (1970). If the controversy initially decided results in a determination of invalidity, the delaying defendant in the other controversy is spared the time and expense of any further defense because the plea of estoppel is available. If the first controversy results instead in a determination of validity, it is not binding on the delaying defendant whose sole loss is time. *See generally Kahn, supra note 70, at 585-87: Blonder-Tongue Symposium, supra note 1, at 728-29 (remarks of Mr. William Marshall).*

Subsequent to the Fifth Circuit decision in *Monsanto*, the Third Circuit affirmed the invalidity determination of its trial court. 456 F.2d 592 (3d Cir. 1972), *See note 162 supra.*

estoppel plea based upon the prior adjudication of invalidity. Reasoning that estoppel should be properly applied only when the interests of justice and equity so demand, the Blumcraft court refused to grant estoppel on the sole justification that the patent had previously been adjudged invalid. When similarly faced with contradictory decisions of co-ordinate courts, the Monsanto court placed greater weight on the invalidity determination and, in granting an estoppel plea based on that decision, ignored the dictates of equity and justice which the Blumcraft court so carefully scrutinized.

Prior to Blonder-Tongue, a patentee had two safeguards against erroneous district court determinations of invalidity — (1) bringing another infringement suit against a different defendant and (2) pursuing the proper channels of appeal. By overruling Triplett, the Blonder-Tongue Court vitiated the first safeguard. However, it is submitted that the Blonder-Tongue opinion should not be interpreted as eliminating the latter safeguard, and the plea of estoppel should not attach until the patentee has exhausted his avenues of appeal. If the lower courts continue to act precipitously by granting estoppel based upon bare district court decisions, as the Fifth Circuit did in Monsanto, the Supreme Court should intervene and demonstrate that, for purposes of estoppel, only nonappealable decisions are final.

V. IMPLICATIONS OF BLONDER-TONGUE

A. Forum Shopping

It is indeed unfortunate when the ability of a plaintiff to obtain redress for his injuries depends heavily on the forum in which he seeks relief. Nevertheless, it is exactly this phenomenon which the Blonder-Tongue decision will advance. Two factors in the opinion warrant this conclusion and indirectly place a greater premium than ever on the patentee’s selection of a forum: (1) the Court’s suggestion that choice of forum would be one of the criteria to be considered in determining whether a plea of estoppel should apply, and (2) the failure to designate uniform obviousness standards. It has long been recognized that “different Districts, different Circuits and even different panels in a particular Circuit Court of Appeals may come up with a different result on the issue of patent validity

1967). In a second litigation, the trial court again upheld the validity of the patent. Blumcraft of Pittsburgh v. Citizens & S. Nat’l Bank, 286 F. Supp. 448 (D.S.C. 1968). Upon appeal from this decision, however, the Fourth Circuit reversed and found the patent invalid as obvious. 407 F.2d 537 (4th Cir. 1969).
166. 341 F. Supp. at 1020.
167. See note 162 supra.
168. See notes 90–92 and accompanying text supra.
169. The Supreme Court could have taken such action by reviewing Monsanto but refused and denied certiorari. Monsanto Co. v. Dawson Chem. Co., 443 F.2d 1035 (5th Cir. 1971), cert. denied, 405 U.S. 974 (1972).
170. 402 U.S. at 332–33.
171. See notes 123–42 and accompanying text supra.
on virtually the same evidence.”\textsuperscript{172} This phenomenon of discordant decisions of validity, in large measure, reflects the different philosophies of the courts on the rights of the patentee. Consequently, the patentee will attempt to bring infringement suits in those jurisdictions displaying philosophies favorable to the patentee and will avoid those which are notoriously anti-patentee.\textsuperscript{173} If the patentee elects to initiate a class action, he enjoys almost unlimited discretion in choosing the forum because the venue requirement need only be fulfilled as to the representative defendant who is named by the plaintiff-patentee.\textsuperscript{174}

The Court in \textit{Blonder-Tongue} most assuredly did not wish to intimate that the patentee's right to redress depended on his choice of forum, but such will be the result until the Court establishes a uniform standard of obviousness, thereby allowing the patentee to obtain equal treatment in all the courts of the land.

\textbf{B. The Class Action: A New Tool for Patent Enforcement}

Although patent owners have bitterly criticized the Court for the burden that \textit{Blonder-Tongue} has placed upon them in seeking enforcement of their patents, it is not inconceivable that the alleged infringers may ultimately bear the brunt of the \textit{Blonder-Tongue} decision, for in its wake the patent owners may turn to the procedural device of the class action. Both \textit{Blonder-Tongue} and the class action are intended to eliminate relitigation through application of the doctrine of res judicata, but it is submitted that the introduction of the class action into the patent law arena will receive more comment in future years than did the decision which spurred its application.

Prior to \textit{Blonder-Tongue}, astute patentees would never institute a class action because an unfavorable decision would preclude further action against all the members of the defendant class. Instead, the patentees would sue infringers individually, thereby minimizing the potential loss and deriving substantial benefits because even if the patent was invalidated, under \textit{Triplett}, the patentee could still bring suit against any other infringer; if the patent was upheld, the patentee could intimidate other infringers, under threat of suit, to take a license. \textit{Blonder-Tongue} destroyed all such benefits, however, and established that whenever a patentee initiates an infringement action he puts his patent on the line as to the whole world, rather than merely an individual defendant. As a result of \textit{Blonder-Tongue}, a finding of invalidity is binding on the patentee forever, but a finding of validity is binding only on the individual defendant sued.\textsuperscript{175} Since the

\textsuperscript{172} \textit{Blonder-Tongue Symposium}, supra note 1, at 748 (remarks of Mr. William Kerr). See note 64 and accompanying text supra.

\textsuperscript{173} See notes 135-38 and accompanying text supra.

\textsuperscript{174} See notes 204-08 and accompanying text infra.

\textsuperscript{175} Prior to \textit{Blonder-Tongue}, a patentee could not invoke a prior adjudication of validity as res judicata against a nonparty to the prior litigation, nor may he do so...
patentee now risks his patent in any infringement action, the class action becomes the best enforcement tool because he need only risk his patent once to gain a decision against any number of alleged infringers, as all are equally bound by a finding of validity. While the class action presents the patentee with the obvious advantages of minimal litigation costs, final determination of validity, and quick action, it saddles the alleged infringer with numerous burdens he had never previously experienced, such as contributing to the defense of others, worrying about the adequacy of his representation, and defending in a remote forum.

Notwithstanding the widespread use of the class action in other fields of the law,¹⁷⁶ and its obvious suitability to the patent field, few patent class actions have been initiated. This phenomenon probably results from a split in judicial authority concerning the appropriateness of class actions in patent infringement suits. The issue of whether or not a class action will lie against the alleged infringers of a patent has been raised in only three federal district courts,¹⁷⁷ and the decisions have not provided the patentee with sufficient encouragement to pursue such actions.

In Technograph Printed Circuits, Ltd. v. Methode Electronics, Inc.,¹⁷⁸ a patentee for the first time attempted to bring a class action against the alleged infringers pursuant to Rule 23 of the Federal Rules of Civil Procedure and the Northern District of Illinois held that such action was appropriate. This same court reached a similar conclusion in Research Corp. v. Pfister Associated Growers, Inc.,¹⁷⁹ only to have its position expressly repudiated by the Maryland federal district court in Technitrol, Inc. v. Control Data Corp.¹⁸⁰ The most enlightened decision in this area was rendered by the federal district court in New Hampshire, which held, in Dale Electronics, Inc. v. R.C.L. Electronics, Inc.,¹⁸¹ that the class action was no more inapproriate in a patent setting than in any other field.¹⁸²

To determine the propriety of a patentee's class action, the rationale of these cases must be considered in conjunction with the requirements delineated in Rule 23, paragraph (a), which provides in essence that: (1) the class must be so numerous that joinder of all members is im-

now. In Boutell v. Volk, 449 F.2d 673 (10th Cir. 1971), the patentee argued that Blonder-Tongue eliminated all need for privity in a patent case, and that the court could properly estop an alleged infringer from denying the validity of the patent based upon a prior holding of validity. The Tenth Circuit observed that the present defendant was not a party to the prior litigation, had not had its day in court, and, therefore, could not be precluded from raising its defense of invalidity. *Id.* at 678.


¹⁷⁷. *See* text accompanying notes 178-82 *infra.*


¹⁸². *Id.* at 536.
practical; (2) there must be questions of law and fact common to the class; (3) the claims and defenses of the representative defendants must be typical of the claims and defenses of the class; and (4) the representative defendants will fairly and adequately protect the interests of the class.¹⁸³

1. Members of class so numerous that joinder is impractical

In both Technograph and Research, the patentee asserted a class of several hundred defendants located throughout the country. Consequently, the court had no difficulty in ruling that such a large number of defendants was sufficient to support a class action.¹⁸⁴ In Technitrol, the patentee alleged infringement by only five defendants and the court found this to be an insufficient number.¹⁸⁵ The Dale court, when faced with a class comprising some thirteen members, could have distinguished the Technitrol decision numerically, but chose instead to shift its attention away from mere numerical considerations and to focus on the impracticality of joining these thirteen members.¹⁸⁶ The court recognized that the thirteen defendants did not present such a numerous class when judged by traditional class action standards, but reasoned that since joinder was precluded by jurisdictional considerations, the class action was justified.¹⁸⁷

Both logic and precedent support the proposition that the proper test for permitting a class suit should not be the number of class members alone, but rather whether the number of class members makes joinder impractical.¹⁸⁸ Whenever jurisdiction poses a problem such that joinder becomes not only impractical but impossible, a class action should be maintainable regardless of the number in the class, because the impracticality is the same.

2. Common questions of law and fact

The second prerequisite delineated in Rule 23(a), requiring that there be questions of law and fact common to the members of the class, is met in every patent case in that the question of the patent's validity is

¹⁸⁵ 164 U.S.P.Q. at 533. The Technitrol court did, however, hint that had the patentee alleged infringement by 55 defendants, it might have reached a different conclusion. Id.
¹⁸⁶ 53 F.R.D. at 534.
¹⁸⁷ Id.
¹⁸⁸ In Citizens Banking Co. v. Monticello State Bank, 143 F.2d 261 (8th Cir. 1944), the Eighth Circuit concluded that twelve plaintiffs were sufficient to support a class action. The commentators have stressed that in determining whether a class suit will lie, the courts should be guided by more than the sheer number of class members. See 2 W. BARRON & A. HOLTZOFF, FEDERAL PRACTICE AND PROCEDURE § 562.4, at 268 (1961 ed.); C. WRIGHT, LAW OF FEDERAL COURTS § 72, at 308 (2d ed. 1970). See also C. Willian & R. Harmon, Class Actions A Tool for Patent Enforcement, presented at the LAWYERS INSTITUTE OF THE JOHN MARSHALL LAW SCHOOL (1970) (copy on file at the Villanova Law Review office).
common to all infringers. Additionally, other issues may arise concerning the right of the patentee to sue on his patent including — (1) enforceability of the patent under the doctrine of file wrapper estoppel, (2) enforceability under the doctrine of patent misuse, (3) enforceability under the concept of fraud perpetrated on the Patent Office — but these issues are equally common to the class.\textsuperscript{169} It is only the issue of infringement that is not common to the class members, for it involves the particular practices of each defendant and must, therefore, be determined on an individual basis.

In examining the requirements of Rule 23(a), the \textit{Technitrol} court concluded that, although there were common questions of law and fact, the class action still would not lie because the interests of the individual defendants would not be the same in pressing their arguments on these common questions.\textsuperscript{190} The \textit{Dale} court, however, refused to take such a restrictive view of this requirement and reasoned that its purpose would best be served if the class action were allowed to proceed on all the common issues, with subsequent individual determinations of infringement.\textsuperscript{191} Since the purpose of Rule 23 is to foster judicial economy by limiting relitigation,\textsuperscript{192} it is submitted that the proper application of Rule 23 was implemented by the \textit{Dale} court. As long as a forceful argument is presented to the court, it should be of little concern that the interests of the defendants concerning invalidity may be somewhat different — especially when the alternative would require the plaintiff to seek innumerable separate trials. If an individual defendant were to suggest, however, a sufficiently distinct argument concerning validity, he should be allowed to personally appear in the class action suit, rather than forcing the plaintiff to waste personal and judicial resources in providing him with a separate forum.\textsuperscript{193}

3. \textit{Claims and ability of the representative defendant}

Subparagraphs (3) and (4) of Rule 23(a) delineate requirements primarily intended to ensure that the representative defendant possesses the means, skill, and integrity necessary to fairly and adequately protect the interests of the class. Since the defenses available in any patent infringement action are somewhat limited and well defined,\textsuperscript{194} any one alleged infringer will be able to present such arguments as forcefully as another, provided they have the same ability.

\textsuperscript{190} 164 U.S.P.Q. at 553.
\textsuperscript{191} 53 F.R.D. at 536.
\textsuperscript{192} See Anderson & Roper, supra note 96, at 200, 203.
\textsuperscript{193} If a nonparty class member wishes to urge a separate defense, or is otherwise dissatisfied with the representation of the named defendant, he may intervene as a matter of right pursuant to Rule 24(a). Fed. R. Civ. P. 24(a).
\textsuperscript{194} See note 189 and accompanying text supra.
The maintenance of a defendant class action saddles the named representative with heavy time and monetary burdens, and consequently the courts should not equate ability with desire when judging the competence of the representative to defend the class. In making the required determination of adequacy of representation, the court would be well advised to consider the following criteria: (1) the financial resources of the representative defendants; (2) their size and standing relative to the class; (3) the extent of infringement and the potential liability of the representative defendants; (4) the makeup of the class; and (5) the ability of the named representative's counsel. Unlike the Technograph and Dale courts, the Technitrol court refused to consider these relevant factors before concluding that the named defendant could not adequately represent the class and thus effectively putting the burden on the plaintiff to demonstrate the adequacy of the named defendant's representation. The Dale court, however, applied a presumption in favor of the plaintiff's choice of the representative defendant, stating that "[t]here is no reason to believe that the representative defendant will not fairly and adequately protect the members of the class." It is submitted that the approach adopted by the Dale court, in adjudging the adequacy of the named defendant's representation, is not only the most equitable, but also comports most with the spirit of federal class action rules. Rather than placing the burden on the plaintiff to defend the representative defendant's ability, it is the class members who should properly bear this burden, as they are in a better position to know why their interests will not be adequately protected by the named defendant. Rule 24(a) allows any class member to assume control of the litigation should he feel the named defendant could not adequately protect his interest. Consequently, placing the burden on the class members to demonstrate the named representative's inability to properly defend the class would best protect the defendant class because the members would pressure the most able defendant to assume control of the defense, thereby

195. See Anderson & Roper, supra note 96, at 205, wherein the authors conclude that the only benefit enjoyed by the representative defendant is his ability to be represented by counsel of his choice. On the other hand, the representative defendant will not only have to expend considerable time in preparing the defense, but also will have to incur substantially increased attorney fees because of his position. Id. See also Dale Electronics, Inc. v. R.C.L. Electronics, Inc., 53 F.R.D. 531, 533 (D.N.H. 1971).

196. In Research Corp. v. Pfister Associated Growers, Inc., 301 F. Supp. 497 (N.D. Ill. 1969), the court accorded only "token weight" to the named defendant's lack of desire to represent the class, and noted that lack of desire could hardly overcome the named defendant's ability to represent the class adequately. Id. at 498-99.


199. 164 U.S.P.Q. at 553. Judge Watkins, in delivering the Technitrol opinion, reasoned that the potential differences in emphasis in presenting defenses barred a single party from adequately representing a number of defendants. Id.

200. 53 F.R.D. at 536.

promoting increased communication between the class members and, possibly, interclass agreements for sharing the cost of the litigation.

Having established that the requisites of Rule 23(a) present no obstacle to the maintenance of a class action on the issue of validity, there remains for consideration the additional requirements of Rule 23(b). If the conditions delineated in either of Rules 23(b)(1)(A), 23(b)(1)(B), or 23(b)(2) are met, the patentee may maintain a compulsory class action, leaving the class members no choice but to remain in the class and to be bound by the judgment. If the trial court finds these requirements wanting, it may in its discretion permit the action to continue as a noncompulsory class suit pursuant to Rule 23(b)(3), but the court is then required by Rule 23(c)(2) to advise every class member that he may be excluded upon request. From a patentee's viewpoint, a holding that the class action is maintainable only pursuant to Rule 23(b)(3) is, therefore, to be avoided because undoubtedly every class member would seek exclusion from a noncompulsory class suit and the patentee would derive no advantage whatsoever.

Rule 23(b)(1)(A) essentially provides that a defendant class action may be maintained when the prosecution of separate actions against each of the alleged infringers would create a risk of inconsistent or varying adjudications which, in turn, would establish incompatible standards of conduct for the plaintiff patentee. Patent suits are prime examples of cases where the maintenance of separate actions against each of the class members results in inconsistent adjudications, since different courts, relying on the same evidence, frequently reach contradictory conclusions concerning validity. Although Blonder-Tongue has obviated this difficulty to some extent by making a determination of invalidity binding on the patentee, it does not prevent the development of the situation where an initial finding of validity is followed by subsequent determinations of invalidity. Consequently, the prosecution of separate actions against the

202. The Research court noted that increased communication between the class members was most desirable because it facilitated the likelihood of adequate representation, 301 F. Supp. at 499.

203. The Dale, Research, and Technograph cases all concluded that a patentee could maintain a compulsory class action. In Research, the court noted that a noncompulsory class action would be valueless because it "would allow those members of the class who did not wish to be bound by the adjudication to exclude themselves from the patent class." Id. at 500. After holding that a patentee could not maintain a compulsory class action, the Technitrol court indicated that "little or nothing" could be gained by permitting a noncompulsory class suit and refused to consider it. 164 U.S.P.Q. at 553. See Blonder-Tongue Symposium, supra note 1, at 738 (remarks of Mr. Walther Wyss).

204. See C. Willian & R. Harmon, supra note 188, at 10. Prior to Blonder-Tongue, the noncompulsory class member might choose not to exclude himself from the class and thus enjoy the advantage of a high-quality defense at little or no cost to himself. See Anderson & Koper, supra note 96, at 215. In the wake of Blonder-Tongue, the noncompulsory class defendants have virtually nothing to lose by excluding themselves because (1) they will continue to derive the benefits of a successful defense since the finding of invalidity will be available to them via a collateral estoppel plea in a later litigation, and (2) a finding of validity will not be binding on them since they have not had their day in court.

205. See notes 62-66 and accompanying text supra.
individual infringers would still create a substantial risk of inconsistent adjudications on the common issue of validity, which would thereby establish incompatible standards of conduct for the plaintiff patentee. Accordingly, the requirement of Rule 23(b)(1)(A) would be met.206

Rule 23(b)(1)(B) provides essentially that a class action may be maintained, if the prosecution of separate actions against individual members of the class would create a risk of adjudications which would, as a practical matter, be dispositive of the interests of other members not parties to the adjudication, or substantially impair their ability to protect their own interests. Although a finding of validity is not entitled to a res judicata effect,207 it is nonetheless true that, because of the highly technical nature of a patent litigation, any final decision of validity will receive careful consideration and probably extraordinary weight in any later proceedings initiated by the patentee to enforce his patent against other infringers.208 To the extent that such prior determinations of validity are given weight in a subsequent proceeding, those alleged infringers would have their ability to defend impeded, and thus, the requirement of Rule 23(b)(1)(B) would be met.209

Rule 23(b)(2) provides that a compulsory defendant class action may be maintained if (1) the patentee has acted on grounds generally applicable to the class and (2) final injunctive or declaratory relief is appropriate. The patentee fulfills this requirement when he notifies the alleged infringers of his patent, informs them of a possible infringement suit for continued infringement without taking a license, and subsequently brings the action against the class. Such actions by the patentee have been recognized as sufficient to fulfill the initial requirement of Rule 23(b)(2).210 The second requirement, on its face, indicates that a class action would not lie when the plaintiff seeks anything other than injunctive or declaratory relief, and a strict interpretation of this provision led the Technitirol court to conclude:

[Rule 23](b)(2) is clearly inapplicable, providing only for injunctive or declaratory relief. Plaintiff here seeks monetary relief. In this


208. See Research Corp. v. Pfister Associated Growers, Inc., 301 F. Supp. 497, 500 (N.D. Ill. 1969). See also Blonder-Tongue Symposium, supra note 1, at 743 (remarks of Mr. Ted Anderson), wherein it was suggested that Blonder-Tongue may influence courts into granting even greater weight to previous holdings of validity than has previously been the case.

209. The Dale, Research, and Technograph courts all held that, since any decision of validity would receive considerable consideration in later proceedings as a matter of comity, Rule 23(b)(1)(B) posed no bar to the maintenance of a class suit. The Technitirol court, however, ignored any such effects and held that Rule 23(b)(1)(B) could not be met by a class suit for patent infringement. 164 U.S.P.Q. at 553.

connection, see the notes of the Advisory Committee, which makes [sic] it clear that money recovery is not what it had in mind in this connection.211

Such a stringent application of Rule 23(b)(2) is not, however, mandated by the Advisory Committee Notes.212 and in fact, such an interpretation frustrates the language of the Rule, which specifically declares that a class action is maintainable whenever injunctive relief is appropriate. The Technitrol decision distorts this language by limiting the class suit to only those actions wherein injunctive relief is sought. Such limitation is particularly severe in the patent law arena because injunctive relief is always appropriate,213 while monetary relief is what is most often sought.214 Since the patentee is always entitled to injunctive relief if he proves his case, his ability to maintain a class suit should not be vitiating because he combines a request for monetary and injunctive relief. Thus, the Research court properly noted:

[T]his court agrees with the Technograph court . . . that the fact that damages are being requested in these infringement actions does not prevent this suit from being maintained as a class action under [Rule] 23(b)(2).215

After the plaintiff-patentee has established that he is in conformance with the requirements of Rule 23(a) and (b), the question then becomes whether the venue provisions for patent infringement actions216 limit the breadth of the prospective class. The Technitrol court interpreted 28 U.S.C. § 1400(b) as demanding that venue be satisfied as to all members of the class.217 Such a strict construction of the venue statute would seriously undermine the usefulness of class actions. The Research court noted the absurdity of such a contention, concluding that:

[V]enue need not be established as to those nonrepresentative-party class members, since to do so would eliminate the use of the class action route in all cases where a defendant class is appropriate.218

211. 164 U.S.P.Q. at 553 (emphasis added).
212. The relevant portions of the Advisory Committee Notes are reproduced in the Technograph opinion. 283 F. Supp. at 723, 725. The Technograph court examined the Notes and found them to support the conclusion that the class action was maintainable when monetary relief was sought. Id.
213. The Research court noted that final injunctive relief would be appropriate in any patent suit regardless of whether the patentee or the alleged infringer emerged victorious. 301 F. Supp. at 500.
216. 28 U.S.C. § 1400(b) (1970). This section provides essentially that a patent infringement suit may be brought in the judicial district where the defendant resides, or where the defendant has committed acts of infringement and has an established place of business.
217. 164 U.S.P.Q. at 552.
Most commentators concur in this conclusion,\textsuperscript{219} and the patentee, therefore, enjoys great discretion in choosing the forum in which to litigate his patent, having only to fulfill the venue requirements with respect to the representative defendant.\textsuperscript{220}

VI. CONCLUSION

While the Supreme Court has traditionally demonstrated a propensity for ignoring the patent law arena, the Court in Blonder-Tongue has retreated somewhat from this tendency and has brought patent law into harmony with other areas of the law. But should the Court now revert to its old habits, the Blonder-Tongue decision will crush the patent system because the introduction of the doctrine of collateral estoppel sans mutuality creates serious problems which require immediate resolution. The most pressing concern remains the proper judicial standards for obviousness. Until the Court mandates a uniform standard, Blonder-Tongue presents an oppressive burden to all who wish to work within the patent system.

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\textsuperscript{219} See, e.g., C. Willian & R. Harmon, \textit{supra} note 188, at 18–21.

\textsuperscript{220} Thus, if a patentee wishes to sue a class of eleven alleged infringers, each residing in a different circuit, he could elect to bring the suit in whichever circuit displayed the greatest propensity for upholding patents. See notes 137–40 and accompanying text \textit{supra}. 