

No. 05-608

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In the  
Supreme Court of the United States

MEDIMMUNE, INC.,

*Petitioner,*

v.

GENENTECH, INC., *et al.*,

*Respondents.*

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On Writ of Certiorari to the United States Court of Appeals  
for the Federal Circuit

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**BRIEF AMICUS CURIAE OF 3M, GENERAL  
ELECTRIC, PROCTER & GAMBLE, AND  
E.I. DUPONT DE NEMOURS AND COMPANY  
IN SUPPORT OF RESPONDENTS**

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**INTEREST OF THE AMICI<sup>1</sup>**

The *Amici* have been leaders in America's technological innovation for over 100 years. Their patent portfolios protect their enormous investments in research and development, and they regularly rank near the top of the annual list of United States patent recipients. They have longstanding and extensive patent licensing experience, both as licensors and licensees. Many of these licenses are entered in settlement of actual or potential patent litigation.

The *Amici* are well acquainted with the various issues that have spurred calls for changes in the patent system. This is not the case to address such issues. No one is contending here that any of the millions of extant patents should be exempted from challenge. But creating a unilateral right for a licensee to challenge a licensed patent ***will not*** address the underlying issues that have triggered efforts for patent reform, ***will*** destabilize thousands of existing patent settlements and license agreements, ***will*** make patent litigation more difficult to settle, and ***will*** have chilling effects on pro-competitive patent licensing and technology transfer activities that generate billions of dollars annually. Changes to the longstanding rules underlying patent settlements and licensing must balance competing policy questions that are best left to Congress, not courts.

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<sup>1</sup> Counsel for a party did not author this brief in whole or in part, and no party other than *Amici* made a contribution toward the preparation and submission of this brief. All parties have consented in writing to the filing of this brief, and their letters of consent have been filed with the Clerk.



*Amicus* 3M Co., which began operations in 1902, is a diversified technology company with a global presence in the health care, industrial, display and graphics, consumer and office, safety, security and protection services, electronics and telecommunications, and transportation markets. 3M sells more than 50,000 goods and services to customers around the world. Annual R&D spending at 3M exceeds \$1 billion, and to protect this investment, 3M owns over 7,000 United States patents and over 19,000 patents around the world. In 2005, 3M was awarded 487 United States patents.

*Amicus* General Electric Co. is one of the largest and most diversified industrial corporations in the world. Since its incorporation in 1892, GE has developed a wide variety of products for the generation and utilization of electricity. GE is a major supplier of other technologies and services in fields as varied as healthcare, homeland security, financial services, and entertainment. Total research and development expenditures at GE were \$3.4 billion in 2005. GE also has a substantial patent portfolio, with over 18,000 United States patents, 1,180 of which were issued last year.

*Amicus* The Procter & Gamble Company, founded in 1837, is the largest consumer products company in the world. It markets over 300 products, including 22 brands with one billion dollars or more in sales, in 140 countries. Research and product development are central to Procter & Gamble's success as reflected by approximately \$1.8 billion in annual R&D spending and over 25,000 patents throughout the world.

*Amicus* E.I. du Pont de Nemours and Company is a science company. Founded in 1802, it is a world leader in science and technology in a range of disciplines, including biotechnology, electronics, materials science safety and security, and synthetic fibers. In 2005, DuPont's research and development expenditures were \$1.3 billion and it was granted approximately 400 United States patents. Since 1804, when company founder E.I. du Pont was granted DuPont's first patent, DuPont has been awarded nearly 34,000 U.S. Patents.

#### **SUMMARY OF THE ARGUMENT**

This is not a contract case. Rather, MedImmune seeks a declaratory judgment on a patent, and not on the terms of the corresponding patent license. As a result, MedImmune's central reliance on contract-centered declaratory judgment actions is misplaced. With the focus properly placed on patent declaratory judgment actions, the Federal Circuit's long-standing test is a sensible, patent-specific application of this Court's requirement for an imminent dispute over the subject matter of the case.

MedImmune's proposed new rule would give a licensee a right to bring a declaratory judgment action where the licensor is blocked by the license from bringing the mirror image action for patent infringement, even by way of compulsory counterclaim. Such an asymmetric rule is inconsistent with the language of the Declaratory Judgment Act, will undermine existing settlement and license agreements by giving licensees new rights for which they never paid, and will chill patentees from settling infringement suits and licensing their technology out of concerns that once they bargain away part of their valu-

able patent rights, their licensees will turn around and challenge the licensed patents.

## ARGUMENT

### I. MEDIMMUNE WRONGLY ANALOGIZES TO CONTRACT ACTIONS

This is a declaratory judgment action for patent invalidity, unenforceability, and noninfringement.<sup>2</sup> The mirror image action is for patent infringement. This is not an action to clarify the terms of, or rights under, MedImmune’s patent license. As a result, the focus must be on whether there is an imminent risk of patent infringement litigation here. Because Respondents are blocked by the license from bringing a patent suit, there is no such risk and no subject matter jurisdiction.

#### A. Because This Is a Patent Action, Comparisons to Contract Actions Are Inapt

To determine whether jurisdiction exists for a declaratory judgment claim, courts look to the “mirror image” action that the declaratory judgment defendant would normally have brought. *See, e.g., Skelly Oil Co. v. Phillips Petroleum Co.*, 339 U.S. 667, 673-74 (1950) (holding that subject matter jurisdiction for a declaratory judgment action is lacking where “artful pleading anticipates a defense based on federal law”); *see also Franchise Tax Bd. v. Constr. Laborers Vacation Trust*, 463 U.S. 1, 16

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<sup>2</sup> Count 1 of MedImmune’s Complaint does refer to the license, but MedImmune does not rely on that Count on appeal, perhaps because the parties are not diverse, so that jurisdiction must be supported by the patent claim in any event.

(1983) (“*Skelly Oil* has come to stand for the proposition that ‘if, but for the availability of the declaratory judgment procedure, the federal claim would arise only as a defense to a state created action, jurisdiction is lacking.’”). Here, the mirror image action is one for patent infringement, because MedImmune seeks a declaration of patent invalidity, unenforceability, and noninfringement [Pet. Br. at 7-8], and not an action under its patent license. *See, e.g., Rivet v. Regions Bank of La.*, 522 U.S. 470, 475 (1998); *Public Serv. Comm’n of Utah v. Wycoff Co.*, 344 U.S. 237, 248 (1952) (“[I]t is the character of the threatened action, and not of the defense, which will determine whether there is federal-question jurisdiction.”).

MedImmune and its *amici*, including the government, overlook the fundamental distinction between this case and actions that seek a declaration of rights under a contract.<sup>3</sup> In a declaratory judgment suit brought under a contract, either party can sue when a real dispute exists over the meaning of terms in the contract. In contrast, MedImmune seeks a right to enter into a license, and thereby obtain the protection from a patent infringement suit the license provides, while retaining a unilateral right to challenge the patent whenever it desires. This one-

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<sup>3</sup> One *amicus* brief highlights the misinterpretation of this case as a contract action rather than a patent action in the following heading: “The Federal Circuit Decisions Fail to Follow the Well-Established Principle that a Case and Controversy Sufficient to Sustain Jurisdiction Exists When the Parties to a Contract ***Have a Bona Fide Dispute Over Its Proper Interpretation.***” [Medtronic Br., at 8 (emphasis added)].

sided rule is wholly dissimilar to the symmetrical rights that both parties to a contract have to bring suit in order to ensure that its terms are being followed.

With the focus properly set on patent infringement actions, the Federal Circuit's two-part test for declaratory judgment subject matter jurisdiction is entirely appropriate for identifying those cases that present a "definite and concrete controversy" of "sufficient immediacy and reality."<sup>4</sup> The Federal Circuit's test requires, first, that the *patentee* has acted in a manner that would give the declaratory judgment plaintiff a reasonable apprehension that the patentee will sue if the allegedly infringing activity continues. This prong ensures that there is a real and definite controversy, and not simply a unilateral fear by the declaratory judgment plaintiff. *See Fina Oil & Chem. Co. v. Ewen*, 123 F.3d 1466, 1470 (Fed. Cir. 1997). The second prong requires a showing that the declaratory judgment plaintiff has produced, or prepared to produce, the accused item. This prong ensures that the dispute is sufficiently immediate. *See id.* In sum, the Federal Circuit's two-part test accords perfectly with the general requirement that there must be a definite and immediate dispute between the parties.

The Federal Circuit has not, however, limited declaratory judgment jurisdiction to the two-part test. Rather, it has supplied the test as one exemplary way to establish the presence of a case or contro-

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<sup>4</sup> *See Aetna Life Ins. Co. v. Haworth*, 300 U.S. 227, 240 (1937); *Md. Cas. Co. v. Pacific Coal & Oil Co.*, 312 U.S. 270, 273 (1941).

versy, but has consistently left open for declaratory judgment plaintiffs to establish a case or controversy in other ways. *See, e.g., id* (“Satisfaction of this traditional two-part test is not, however, a prerequisite to jurisdiction in every possible patent declaratory judgment action.”); *Arrowhead Indus. Water, Inc. v. Ecolochem, Inc.*, 846 F.2d 731, 735-36 (Fed. Cir. 1988) (acknowledging the statement in *Md. Cas. Co.*, 312 U.S. at 273, that “it would be difficult, if it would be possible, to fashion a precise test for determining in every case whether there is such a controversy,” to note that “[a] test **often useful** in evaluating complaints for declaratory judgments in patent cases” is the two-part test) (emphasis added).

Thus, while the Federal Circuit recognizes the need for flexibility, it has properly acted to give parties a guide for evaluating whether a justiciable case or controversy exists in the most common fact pattern arising in the patent context. But there simply can be no justiciable controversy absent some real and immediate act of provocation **by the patentee**.<sup>5</sup>

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<sup>5</sup> The government’s brief argues that an actual controversy exists because “[a]bsent respondents’ patent, and their claim that petitioner’s principal product infringes that patent, petitioner would not be paying royalties to respondents on its sales of that that product.” [Brief of United States, at 10]. This one-sided argument from the licensee’s perspective ignores this Court’s precedent requiring a real and immediate dispute, as shown by the threat of litigation of the mirror image action, as a prerequisite for declaratory judgment subject matter jurisdiction. It likewise abandons the concept of symmetry and would eviscerate the bargain reached by the parties and embodied in the license agreement, which re-

Indeed, there are millions of patents currently extant in the U.S., and the owners of those patents cannot be hauled into court if they have not taken some action to threaten another party with suit. This Court has rejected claims by declaratory plaintiffs where no threatening action has occurred against those plaintiffs. *See, e.g., id.; Babbitt v. United Farm Workers Nat'l Union*, 442 U.S. 289, 298 (1979) (noting that a plaintiff that fails to claim even a threat of prosecution cannot invoke the federal courts' jurisdiction); *see also City of Los Angeles v. Lyons*, 461 U.S. 95, 101-02 (1983) (plaintiff must show threat of injury that is "real and immediate."). Patent owners that have agreed to share their technology through licensing should not be disadvantaged, in essence waiving any challenge to declaratory judgment subject matter jurisdiction each time they license a patent.

**B. Subject Matter Jurisdiction Cannot Arise Solely From a Party's Dissatisfaction Over the Economic Terms of a Patent License Agreement**

Even in declaratory judgment actions involving the terms of a contract, this Court has repeatedly required a real and immediate dispute, with a threat of imminent litigation, before jurisdiction will arise. *See, e.g., Textron Lycoming Reciprocating Engine Div., Avco Corp. v. United Automobile, Aerospace and Agric. Implement Workers of Am.*, 523 U.S. 653, 661 (1998) (no jurisdiction over union's effort to void con-

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moves any "actual controversy" that could give rise to the mirror image action for infringement by the licensee.

tract where union never threatened to strike, and the company had no interest in defending the contract). Indeed, none of the cases MedImmune cites found a case or controversy based solely on a contracting party's desire to avoid the contract's economic impact. Rather, in each case there was either a very real and imminent threat of litigation, or special facts that showed the presence of a true controversy. See *Cardinal Chem. Co. v. Morton Int'l, Inc.*, 508 U.S. 83, 95-96 (1993) (live dispute between the parties was shown by the patentee suing the defendant); *Altwater v. Freeman*, 319 U.S. 359, 364-65 (1943) (noting that “[a] controversy was raging, even apart from the continued existence of the license agreement”); *Aetna Life Ins. Co.*, 300 U.S. at 242 (suit against insured who had stopped paying premiums). To confer subject matter jurisdiction, there must be something more than the licensee's dissatisfaction with the terms of the license into which it voluntarily entered

The need for something more than a contractor's wish to get out of a contract is particularly important in the patent license context. Patentees give up substantial rights in entering into a license agreement—moving from a right to sue and obtain powerful remedies, to a right only for royalties. The patentee's voluntary agreement to “stand down” is a clear act by the patentee that wholly eliminates any actual controversy and any subject matter jurisdiction while the patent license remains in place.



## II. CREATION OF A UNILATERAL RIGHT OF LICENSEES TO CHALLENGE A PATENT WHEN THE PATENTEE CANNOT ASSERT THE PATENT WILL MAKE SETTLEMENT OF PATENT LITIGATION MORE DIFFICULT AND WILL UNDERMINE PATENT LICENSING

MedImmune and its *amici* ask this Court to create a wholly asymmetrical rule, by which licensees could file suit unilaterally even though they have induced patentees to give up their right to sue for infringement. This new rule is contrary to established precedent upon which patent licenses have long been structured. It will make patent infringement litigation more difficult to settle, will destabilize existing patent licenses, and will have a chilling effect on virtually every technology transfer via patent licensing in the future.

### A. MedImmune's Proposed New Rule Lacks Necessary Symmetry

The Constitution and the Declaratory Judgment Act provide federal courts with subject matter jurisdiction when there is a “case or controversy” or a “case of actual controversy,” respectively. *See* U.S. Const. art. III, § 2; 28 U.S.C. § 2201. These provisions are wholly indifferent to the party bringing suit, and instead focus on the presence or absence of a real controversy. *See Aetna*, 300 U.S. at 244 (“It is the nature of the controversy, not the method of its presentation or the particular party that presents it, that is determinative.”); *see also Maryland Casualty Co.*, 312 U.S. at 273 (“It is immaterial that fre-

quently, in the declaratory judgment suit, the positions of the parties in the conventional suit are reversed; the inquiry is the same in either case.”). Federal Rule of Civil Procedure 13(a) reflects this basic symmetry by making infringement a compulsory counterclaim to a declaratory judgment action of noninfringement or invalidity. *See Vivid Technologies, Inc. v. Am. Science & Eng’g, Inc.*, 200 F.3d 795, 801 (Fed. Cir. 1999) (collecting cases); *Polymer Indus. Prods. Co. v. Bridgestone/Firestone, Inc.*, 347 F.3d 935, 938-39 (Fed. Cir. 2003) (citing *S. Constr. Co. v. Pickard*, 371 U.S. 57, 60 (1962)). In short, either a case or controversy exists or it does not, irrespective of which party wishes to file suit.

The Federal Circuit’s “reasonable apprehension” requirement ensures symmetry. Specifically, a party may bring a declaratory judgment action under the “reasonable apprehension” test when it faces a real and legitimate danger that the licensor could sue it. Of course, a licensor cannot create such a danger until the licensee has breached or the license is otherwise removed (*e.g.*, if the parties have agreed that certain actions by one of the parties will void the contract). The licensee may not sue until the patentee may sue, and vice-versa—a result fully in accord with the party-independent nature of the Declaratory Judgment Act.

### **B. Giving Licensees Unilateral Declaratory Judgment Rights Will Discourage Finality in Settlements And Make Patent Owners Wary Of Reaching Future Settlements**

Patent license agreements differ from many other types of contracts in that they often represent

settlement of an actual or potential infringement action. Before the license, a patentee has the right to sue for infringement, which may come with the ability to seek, *inter alia*, an injunction, lost profits, and/or enhanced damages for willful infringement from the accused infringer. See 35 U.S.C. §§ 283-285. After the license, the patentee has bargained away its right to sue and seek those remedies, and retains only the right to the negotiated royalty payments. A licensee, on the other hand, receives access to the patented technology. And perhaps most important, the licensee obtains “peace” from patent litigation.

When parties agree to opt out of litigation in this way, courts should discourage continuing disputes and litigation over the very rights that formed the basis of the parties’ agreement. Patent litigation is a real strain on the resources of parties and courts. It is enormously expensive and disruptive, and often extremely contentious. Encouraging finality in the license agreements whereby willing parties agree upon mutually-acceptable terms to avoid this process is an important goal and one that this Court can advance by affirming. See *Williams v. First Nat’l Bank*, 216 U.S. 582, 595 (1910) (“Compromises of disputed claims are favored by the courts.”); *Aro Corp. v. Allied Witan Co.*, 531 F.2d 1368, 1372 (6th Cir. 1976) (“Settlement is of particular value in patent litigation, the nature of which is often inordinately complex and time consuming.”).

MedImmune’s proposed rule would disrupt past and future settlements. For the past, the rule would give licensees much more than they bargained for. They would get protection from a suit, with the sole

option to sue whenever they choose, without any risk that they will end up worse off if they lose, because their license rights would continue. Licensees alone would have the right to watch the development of technology, of the market, and of the parties' relationship, and if they decided they no longer like the agreed-upon deal (e.g., if they think they negotiated too high a royalty rate, or if they find new prior art to try to invalidate the patent), they could sue the licensee without facing any risk of a patent infringement suit or counterclaim in return. That is a right for which existing licensees did not negotiate, for which they did not pay, and which they do not deserve.

For the future, MedImmune's new rule will make patent infringement litigation much more difficult to settle. Plaintiffs understandably will be worried about defendants "gaming the system" by agreeing to what appear to be reasonable licensing terms; and then, with the license signed and the litigation gone, turning around and bringing a declaratory judgment action. To mitigate the risk of defendants pursuing this "no lose" strategy, plaintiffs will need to insist upon upfront payments, rather than a running royalty that the plaintiff fears the defendant does not intend to pay. Cases that otherwise could have settled with ongoing royalty payments will continue if defendants are unwilling or unable to pay expected royalties in an advance, lump sum payment.

**C. Giving Licensees Unilateral Rights To Challenge Licensed Patents Unbalances The Consideration Underlying Existing Licenses And May Curb The Granting of Future Licenses**

The standard that requires a declaratory patent plaintiff to have a “reasonable apprehension of suit for patent infringement” has been in place since as early as 1966, *see Japan Gas Lighter Ass’n v. Ronson Corp.*, 257 F. Supp. 219, 237 (D.N.J. 1966), and has been unshakable law in the Federal Circuit since the court’s founding in the early 1980s. *See, e.g., Vanguard Research, Inc. v. Peat, Inc.*, 304 F.3d 1249, 1254-55 (Fed. Cir. 2002); *Serco Servs. Co. v. Kelley Co.*, 51 F.3d 1037, 1038 (Fed. Cir. 1995); *Jervis B. Webb Co. v. Southern Sys., Inc.*, 742 F.2d 1388, 1398-99 (Fed. Cir. 1984). The rules in this area are clear, consistent, and uniform, have been so for decades, and parties are able to work within and in reliance on those rules to effectuate their mutual intent when entering into license agreements.

MedImmune’s proposed new rule incongruously would place patent owners that have engaged in pro-competitive licensing of their patent rights and technology in a worse position than non-licensing patentees. The latter may generally choose whether and when to sue for infringement, whereas the former (under MedImmune’s rule) will open themselves to suit by any licensee that no longer likes its deal. By taking steps to make its patented technology available to others, by avoiding litigation, and without ever threatening any sort of suit, a licensing patentee will create subject matter jurisdiction for challenges to its patent by any licensee, and will be un-

able to bring suit or a counterclaim itself. That rule simply makes no sense.

Innovative companies like the *Amici* have structured their patent licenses around the Federal Circuit's well-established rules, which are an integral part of those deals and the consideration the parties provide to each other. For example, when licensing a patent for its full term, which may extend years into the future, parties expect that issues may come up regarding the patent's validity and the coverage of future products by the license. To address these and many other issues, parties can and do agree to settle licensing disputes using alternative dispute resolution, so that a licensee can address questions without litigation. Such concessions to the licensee are, of course, met with matching consideration to the licensor.

Such compromises are, naturally, part of the full, negotiated deal between the parties. In the end, each of the untold number of patent license agreements currently in place represents a negotiated, private transaction between a willing licensor and licensee that balances the parties' respective interests and the relative strengths of their positions on the issues of the licensed patent's infringement, validity, and enforceability.

The settled expectations of licensing parties, and the inequity of changing the balance of interests—with no compensation to licensors—strongly caution against upsetting the Federal Circuit's sensible and well-established standard for declaratory judgment jurisdiction in the patent context. *See Quill Corp. v. North Dakota*, 504 U.S. 298, 317 (1992) (refusing to overrule a prior decision in part because it had “en-

gendered substantial reliance” by both the courts and industry such that the decision had “become part of the basic framework of a sizable industry”). If any change is to occur to decades-old rules that underlie billions of dollars in ongoing licensing activity, that change should come from Congress, which can consider the policy effects of such a change on existing licenses and the potential for dampening effects on pro-competitive licensing and technology transfer activities in the future.

#### **D. Patent Licensees Have Many Options Available to Them; MedImmune's Doomsday Scenario Is Hyperbolic**

MedImmune suggests that the Federal Circuit’s two-part test puts licensees in peril, for they must throw the protection of a license away in order to have their concerns heard by a court—risking, in MedImmune’s words, “financial ruin.” [MedImmune Br., at 13, 24, 48]. This argument is overblown and ignores many real and practical options available to licensees short of breaching the license agreement.

For example, it is common for license agreements to include safety valves, such as mechanisms for alternative dispute resolution, to deal with changed circumstances during the term of the license.

Specifically, parties can and do agree on arbitration to decide whether a licensee’s new products are covered by the license, and thus subject to royalties. Even without such a mechanism in the license, a licensee that wishes to assert that a new product—designed after the parties signed the license—does not infringe is in the same position as any party that develops a product that might, or might not, infringe

a patent. In particular, the licensee may have a unilateral fear about infringement, but in the absence of threats of litigation from the patentee, that is a classic situation of the type that this Court and others have held does not present a case or controversy. *See, e.g., Textron*, 523 U.S. at 661; *Babbitt*, 442 U.S. at 298.

A licensee that enters a license agreement never has—and should not—also automatically obtain the one-sided right to challenge the licensed patent whenever it chooses to launch a new product. The licensee is free to determine whether or not to pay royalties on its new product by balancing the benefits of the license and the costs. If the licensee chooses not to pay royalties, it faces the risk of an infringement suit by the patent owner, and it can bring a declaratory judgment action if it can satisfy the Federal Circuit’s two-part test for subject matter jurisdiction.

The licensee is, in fact, in a better position than would be another party worried about infringing a patent, because the licensee can argue that the appropriate level of damages is a reasonable royalty equal to the royalty it agreed to in the license, *see* 35 U.S.C. § 284. Thus, the licensee may be no worse off if it refuses to pay royalties and loses the resulting infringement suit than it is from continuing to pay royalties under the license.

Moreover, unlike a typical infringer, the licensee always has the option of protecting itself by continuing to pay royalties under the license and foregoing litigation. There simply is no peril. And in any event, arguments about risks faced by licensees that sign license agreements they later regret, but are unwilling to terminate, cannot take the place of the



Constitutionally-mandated “case or controversy” requirement. *See, e.g., Golden v. Zwikler*, 394 U.S. 103, 109-10 (1969) (noting that even an important Constitutional issue “must be presented in the context of a specific live grievance.”).

Likewise, the parties can agree to deal with questions about a patent’s validity via alternative dispute resolution. Even where the license is silent on such alternatives, a licensee has very real options short of breaching the license and filing a declaratory judgment action. For example, the licensee may be able to challenge the patent’s validity in front of the experts at the Patent Office using *ex parte* or *inter partes* reexamination proceedings, the latter of which allow the licensee to submit arguments all the way through appeal to the Federal Circuit. *See* 35 U.S.C. §§ 302, 311.

In short, multiple avenues exist to further the public policy favoring challenges to questionable patents—both via negotiated alternative dispute mechanisms and via Patent Office proceedings—without giving scores of existing licensees unilateral rights to bring declaratory judgment actions for which they never bargained in their license agreements, and for which they never provided consideration.<sup>6</sup>

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<sup>6</sup> One *amicus* brief sets up a false “Hobson’s Choice” in arguing that companies must forego validity challenges to individual patents when they license entire portfolios. [Medtronic Br., at 6-7]. Regardless of the number of licensed patents or the number of those patents a licensee wishes to challenge, the licensee faces the same cost-benefit decision, i.e., whether the perceived injustice of paying what it believes are

## CONCLUSION

For the foregoing reasons, the *Amici* support the decision of the Federal Circuit and urge affirmance by this Court.

Respectfully submitted,

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unjustified royalties outweighs the benefits it gets from the license. The perceived difficulty in making that decision is no justification for disregarding the Constitutionally-mandated “case or controversy” requirement. And of course, nothing prevents parties from negotiating, for mutually-agreeable consideration, the right to challenge individual licensed patents without terminating the entire agreement.