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Truth In Intellectual Property Revisited: Embracing eBay at the Edge

Thomas C. Folsom

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Truth in Intellectual Property Revisited: 
Embracing eBay at the Edge*

Thomas C. Folsom**

Patents and copyrights approach, nearer than any other class of cases belonging to forensic discussions, to what may be called the metaphysics of the law, where the distinctions are, or at least may be, very subtle [sic] and refined, and sometimes, almost evanescent.¹

[W]e cannot always rely on past solutions as we approach current or developing problems. Nor can we assume that methods which were entirely proper, even praiseworthy at an earlier time are necessarily beneficial in a changed environment.²

Abstract

In addition to whatever else it might do to serve the public interest, intellectual property diminishes the commons. To that extent, any particular intellectual property claim intersects the public interest and affects more than just the immediate parties. Not only does intellectual property diminish the commons, but also each of its disciplines contains an almost casually incoherent metaphysic. There is incoherence, if not at the core, at least at the critical edges of intellectual property law that is

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¹ © Thomas C. Folsom 2007. "eBay" is a registered trademark of eBay, Inc.

** Associate Professor, Regent University School of Law; J.D., Georgetown University Law Center; B.S., United States Air Force Academy. I thank especially the University of Akron for its Fall, 2007 forum on “The Changing Landscape of IP Remedies after eBay” and each of the organizers, moderator, and participants for their valuable insights, comments and suggestions. Of course, those errors that remain are mine alone. My Graduate Assistants this year have been Timothy Creed, Toni Duncan, Joshua Jewitt, Ryan McPherson and Leo Lestino.


systemic and fundamental. Notwithstanding over 200 years of practice in the United States, the goal of establishing a sufficiently principled, practical and predictable set of intellectual property rules is still not satisfied. In this context the otherwise peculiar result of eBay is not only tolerable, but welcome. At the critical edge of intellectual property law where the rules seem especially odd and the distinctions particularly refined and subtle a limited remedy can limit the damage that an unmanageable intellectual property law regime can inflict on the commons against the public interest. A qualified embrace of eBay supports the public interest and provides a way out of the hall of mirrors that is modern intellectual property law, short of breaking all the mirrors and starting over.

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INTRODUCTION

This Article asserts eBay\(^3\) is welcome, at least at the edges of each of the intellectual property disciplines, not only patent law, but also copyright and modern trademark law. Part I of this Article describes the two models of eBay and asserts the public interest is the key to mediating between them and determining whether to grant prohibitory injunctive relief. Part II of this Article considers some problem patents, copyrights, and trademarks in which the public interest is implicated. Part III claims the limited remedy permitted by eBay is suitable in such cases. This Article asserts there is room gradually to reshape intellectual property by way of principled and predictable application of a limited remedy while waiting for (and independently of) more dramatic administrative, legislative, or judicial reform of the substantive law.

This Article asserts recurring patent law problems produce cases suited to the limited remedy permitted by eBay, and asserts there are recurring copyright problems as well. Moreover, this Article claims modern trademark law has come of age both in its metaphysics and in its ability to diminish or spoil the commons, and considers how the eBay limited remedy may be especially suited to the problems of marks in cyberspace, and to the problems of distinctive trade dress in product features including colors, shapes and generalized “look and feel.” This Article asserts that a renewed interest in the public interest, as invited by eBay, provides an opportunity to move beyond the “non-producing patent troll” construct\(^4\) and to address other serious issues at the edges of intellectual property law.

This Article is published as part of a symposium on the impact of the Supreme Court’s decision in eBay. Therefore this Article assumes a certain familiarity with eBay, with the subsequent lower court decisions in its aftermath\(^5\) and with the literature already developed.\(^6\) This

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introduction is not to discuss eBay in any detail, but to indicate the direction this Article will take. Unless otherwise explicitly noted, references to eBay will be to the Supreme Court’s opinion. Only those facts of eBay important to the outcome of that case or to the propositions advanced by this Article will be discussed.

This Article claims there are two ways “practically” to read and apply eBay. One reading might leave the injunctive remedy in patent cases essentially unchanged from what it was prior to the decision. Under this reading, eBay might make little or no practical difference in the law as it existed before the decision was rendered and injunctions will continue to issue as a general pattern though not as an absolute rule. Another reading permits, and might actually encourage a more limited application of the injunctive remedy in patent cases, or at least in some classes of patent cases. Under this reading, eBay might make a dramatic change in the law because it yields a robust discretion to a District Court judge, by which after finding a patent valid and infringed, the judge may nevertheless withhold full injunctive relief.

This Article is concerned with how a court might, in the exercise of its discretion, choose between the two readings of eBay. This Article proposes the second reading is most appropriate in cases where the patent in issue, though valid, is “questionable.” In such instances, the public interest is not served by an injunction. In such instances, a court should, in its discretion, support the public interest by declining to issue the injunction. This Article seeks to define what is “questionable” about certain valid patents, or at least to encourage courts to consider the question in the course of determining whether to grant injunctive relief. This Article also tests the logical extension of eBay and it claims the eBay approach is welcome not only in respect of questionable patents but also in respect of questionable copyrights and trademarks.

I. DESCRIBING EBAY AND ITS TWO MODELS

In eBay the Supreme Court held there is reason to reconsider injunctions in patent cases. There in the court below, judgment entered upon a jury verdict that the defendants had willfully infringed certain

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7. This is the way permitted, and perhaps encouraged by the concurring opinion of Chief Justice Roberts, with whom Justice Scalia and Justice Ginsburg join. See eBay, 126 S.Ct. at 1841–42.

8. This is the way permitted, and perhaps encouraged by the concurring opinion of Justice Kennedy, with whom Justice Stevens, Justice Souter and Justice Breyer join. See id. at 1842–43.

9. Id. at 1841.

10. The infringing defendants, petitioners before the Supreme Court, were eBay, Inc. and
claims of two valid patents.11 The District Court declined, however, to enter a permanent injunction.12 On appeal, the Court of Appeals for the Federal Circuit (CAFC) reversed in part and affirmed in part.13 In particular, the Court of Appeals reversed the denial of an injunction, finding the District Court had abused its discretion, and “applying [the CAFC’s] ‘general rule that courts will issue permanent injunctions against patent infringement absent exceptional circumstances.’”14 The Supreme Court granted certiorari on the issue of injunctive relief, and the standards appropriate to such equitable remedy.15

The opinion of the eBay Court is short. It begins: “Ordinarily, a federal court considering whether to award permanent injunctive relief to a prevailing plaintiff applies the four-factor test historically employed by courts of equity.”16 It continues by observing those four factors require a plaintiff to demonstrate: (1) irreparable injury, (2) inadequacy of remedies at law such as monetary damages, (3) the balance of hardships between plaintiff and defendant warrants a remedy in equity, and (4) the public interest is not disserved by a permanent injunction.17 The opinion of the Court emphasizes that the decision granting or denying permanent injunctive relief, “is an act of equitable discretion by the district court” and is “reviewable on appeal for abuse of discretion.”18 The eBay Court held “[t]hese familiar principles apply with equal force to disputes arising under the Patent Act”19 and it remanded for further proceedings, concluding that neither the District Court nor the Court of Appeals had fairly applied the traditional equitable principles in the case at hand.20

Half.com, Inc. Id. at 1838. eBay “operates a popular Internet Web site that allows private sellers to list goods they wish to sell, either through an auction or at a fixed price.” Half.com, a wholly owned subsidiary of eBay “operates a similar web site.” Id. at 1839.

11. The patents included U.S. Patent No. 5,845,265 (the ‘265 Patent), a “business method” patent having to do with “an electronic market designed to facilitate the sale of goods between private individuals by establishing a central authority to promote trust among participants.” Id. The patents were owned by the plaintiff, respondent before the Supreme Court, MercExchange, L.L.C. Id.
14. eBay, 126 S. Ct. at 1839 (quoting eBay, 401 F.3d at 1339).
15. Id.
16. Id. at 1838.
17. Id. at 1839.
18. Id.
19. Id.
20. Id. at 1841.
A. The First Model (First Concurring Opinion)

The *eBay* "rule" is made interesting by the two models that inform its application. Each of the two concurring opinions contains its own model. The first concurring opinion\(^2^1\) is brief. It includes these observations:

From at least the early 19th century, courts have granted injunctive relief upon a finding of infringement in the vast majority of patent cases. This 'long tradition of equity practice' is not surprising, given the difficulty of protecting a right to exclude through monetary remedies that allow an infringer to use an invention against the patentee's wishes—a difficulty that often implicates the first two factors of the traditional four-factor test.\(^2^2\)

This first concurring opinion agrees with the Court's holding that "the decision whether to grant or deny injunctive relief rests within the equitable discretion of the district courts, and that such discretion must be exercised consistent with traditional principles of equity, in patent disputes no less than in other cases governed by such standards."\(^2^3\) But the thrust of the first concurring opinion is that the traditional factors certainly point towards entry of an injunction in patent cases, and that long historical practice evidences the propriety of doing so.\(^2^4\) In this Article, this first model will be referred to as the "ordinary remedy" model, because of the implication that a prohibitory injunction will probably remain the ordinary pattern for infringement of a valid patent.

B. The Second Model (Second Concurring Opinion)

The second concurring opinion\(^2^5\) is almost as brief as the first concurring opinion. It includes these observations:

To the extent earlier cases establish a pattern of granting an injunction against patent infringers almost as a matter of course, this pattern simply illustrates the result of the four-factor test in the contexts then prevalent. . . . In cases now arising trial courts should bear in mind that in many instances the nature of the

\(^{21}\) This is the concurring opinion of Chief Justice Roberts, with whom Justice Scalia and Justice Ginsburg join. *Id.* at 1841-42.

\(^{22}\) *Id.* at 1841.

\(^{23}\) *Id.*

\(^{24}\) *Id.* at 1841-42.

\(^{25}\) This is the concurring opinion of Justice Kennedy, with whom Justice Stevens, Justice Souter and Justice Breyer join. *Id.* at 1842-43.
Like the first concurring opinion, this second concurring opinion also agrees with the *eBay* holding that “courts should apply the well-established, four-factor test without resort to categorical rules in deciding whether to grant injunctive relief in patent cases.” But the thrust of the second concurring opinion is that patents, like the one at issue in *eBay*, now issue over “business methods” to patentees who have never practiced their patented invention in any business of their own, and which may cover component elements included within a larger whole. The second concurring opinion notes that injunctive relief:

may have different consequences for the burgeoning number of patents over business methods, which were not of much economic and legal significance in earlier times. The potential vagueness and suspect validity of some of these patents may affect the calculus under the four-factor test. The equitable discretion over injunctions, granted by the Patent Act, is well suited to allow courts to adapt to the rapid technological and legal developments in the patent system.

In this Article, this second model will be referred to as the “limited remedy” model, because of the implication that, at least for some classes of patents, the remedy will be limited and will not include full injunctive relief, which excludes the offending party from making, using or selling the patented invention.

C. Mediating the Two Models: the Public Interest

On remand, the District Court again declined to enter an injunction, this time after considering all of the equitable factors. The

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26. *Id.* at 1842.
27. *Id.*
28. *Id.*
29. *Id.* (emphasis added).
30. See Patent Act, 35 U.S.C. § 283 (2002) (providing that courts “may grant injunctions in accordance with the principles of equity to prevent the violation of any right secured by patent, on such terms as the court deems reasonable”); § 154(a)(1) (providing that every patent shall grant the patentee “the right to exclude others from making, using, offering for sale, or selling the invention throughout the United States” or importing the invention into the United States, or importing into the United States products made from patented processes).
32. See *id.* at 590–91 (summarizing its prior 21 pages of four-factor analysis: plaintiff did not establish it will suffer irreparable harm, did not establish inadequacy of damages, the balance of
case remains active. As a result, the appellate courts will have an opportunity to consider again whether the denial of an injunction was an abuse of discretion. In doing so, the reviewing courts may perhaps explain in more detail when a particular patent case merits the ordinary remedy model of prohibitory injunctive relief, and when it merits only the limited remedy model short of prohibitory injunctive relief.

It seems as though the first three factors, irreparable injury, inadequacy of the remedy at law, and balance of the hardships, present different considerations than the fourth factor, the public interest. At least they do not seem to raise any issue that is unique to substantive patent law or any other intellectual property law in the same sense that the fourth factor, public interest, does. The public interest, whether influencing towards the ordinary injunctive remedy on the one hand, or towards the limited remedy permitted by eBay on the other, seems rather fascinating. When, indeed, is the public interest not served by an injunction when a valid intellectual property right is infringed? This Article proposes that this fourth factor, the public interest, is of high importance and may, indeed, properly be the mediating factor in determining whether to issue an injunction, at least in cases that are otherwise closely balanced among the four factors.

The orthodox and commonly recited benefits to the public of the statutory patent grant are its incentives to innovation and productivity. These incentives are commonly recognized as being twofold. First,
because of the patentee’s right to exclude others from making, using or selling the patented invention in the United States during the term of the patent,\textsuperscript{35} or to collect a legally compelled payment,\textsuperscript{36} innovators are encouraged to make inventions and to patent their inventions in hope of an economic reward to the innovator in the form of higher returns for patented products or processes, including the wherewithal to license or sell the technology embodied in the patented invention. Second, and perhaps indirectly, there are additional incentives to innovation because the patentee’s invention is supposed to be disclosed and enabled in the description contained within the patent itself. Such disclosure creates a secondary, and dual incentive to persons other than the patentee because: (a) upon eventual termination of the patent, anyone else may practice the patented invention, but (b) immediately upon publication of the description of the invention contained within the patent application or issued patent, everyone else may begin efforts to “design around” the invention, thereby creating other, parallel or competing solutions to the same problem, but not covered by the claims of the patent, thereby spurring additional innovation.

The conventional rationale behind the statutory (and Constitutional) patent bargain is that a patent permits material to be removed from the public domain (the “commons”) because the public interest is enhanced by the resulting innovation. The same is true, mutatis mutandi, for conventional copyright protection. A copyright is imagined to encourage authors to create original works of authorship because, by securing to the author the exclusive right to reproduce or distribute copies, to make or authorize the making of derivative works, and publicly to display or to perform certain works of authorship,\textsuperscript{37} it provides a higher return to the author (or the publisher to whom the author will have assigned the rights) thereby providing an incentive for increased authorial labor leading to an increased output of lovely, or at least saleable objects for public enjoyment.\textsuperscript{38} In the case of both patent and copyright, the

\textsuperscript{36} Patent Act, 35 U.S.C. § 284 (2002) (providing that upon finding for the claimant, a court “shall award damages adequate to compensate for the infringement, but in no event less than a reasonable royalty”).
\textsuperscript{38} E.g., New York Times Co. v. Tasini, 533 U.S. 483, 519-20 (2001) (Justice Stevens, dissenting) (citing authority for the proposition that the “primary purpose of copyright is not to reward the author, but is rather to secure ‘the general benefits derived by the public from the labors of authors.’”); Feist Publ’ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 349 (1991) (“The primary objective of copyright is not to reward the labor of authors, but ‘[t]o promote the Progress of Science and useful Arts.’ Art. I, § 8, cl. 8.”).
commons is diminished only to an extent and only in a sense, 39 and the public interest is served by gaining access to an increased supply of inventions and works of authorship in return. Both patent and copyright are legally categorized as "personal property" 40 and there is a public interest in securing property generally and in securing the patent and copyright bargains specifically.

Of course, in the olden days, trademark didn't diminish the commons at all. This was because the proprietor of a distinctive word, name, symbol, device or designation that was associated with goods or services in bona fide sales to the public in a way that identified those products and distinguished them and their producer (source or sponsor) from others 41 did not gain any exclusive rights in the designation (in gross), or any enhanced property right in any functional features of the goods or services associated with the designation. In those simpler times, the only thing the proprietor of the mark gained was a right to prevent others from using the same or similar designation in a way that would cause a likelihood of consumer confusion in context. 42

Accordingly, the orthodox and commonly recited benefits of trademark law include its protection of consumers against likelihood of confusion, incentives for mark proprietors to deliver consistent product quality, and a concomitant reduction in consumer search costs. 43 The

39. The patent is said not to remove "basic building blocks" from the commons, because patent is said not to include general "laws of nature" but only such laws as particularly applied to a specifically claimed, new and non-obvious process, machine, manufacture or composition of matter, or any patentable improvement within the useful arts; and the patent is said not to include naturally occurring "physical phenomena" or "abstract ideas." E.g., Diamond v. Chakrabarty, 447 U.S. 303, 309 (1980). In a sense, the patented invention was never "in" the commons prior to its invention and so is not "removed" by the inventor's patent. See e.g. Patent Act, 35 U.S.C. § 101 (2002) (defining patentable inventions) & § 103 (adding the non-obviousness requirement).

40. Or at least they are things that have the "attributes of" personal property. See Patent Act, 35 U.S.C. § 261 (2002) (providing "[s]ubject to the provisions of [the Patent Act], patents shall have the attributes of personal property.") Among those attributes are the statutory rights to exclude.


43. See RESTATEMENT, supra note 41, at § 9, cmts. c & d (discussing the rationale for protection and the doctrinal development of trademark law).
usually reckoned costs of trademark law include barriers to entry in mark-dominated industries and a tendency inefficiently to allocate funds away from basic research and product development (or away from reduced prices and/or increased returns to shareholders) and towards potentially wasteful, non-value adding advertising and promotion.\textsuperscript{44} Traditional trademark law did not diminish the commons, however, and in that sense provided a nearly cost-free public good. But modern trademark law has come of age. Like copyrights and patents, modern trademark law now has the power to diminish or spoil the commons. Protection of trade dress in product features,\textsuperscript{45} and protection of attenuated and invisible uses of expressions as addresses, meta-tags, and hidden text on the Internet and elsewhere in cyberspace, starkly raise the problems of spoilage or diminution of the commons. This constitutes an as-yet not fully reckoned cost of trademark law against the commons.

Moreover, each of patent, copyright and modern trademark law is famously and notoriously metaphysical.\textsuperscript{46} Important consequences to the commons now as before have turned on subtle, refined and almost evanescent distinctions.\textsuperscript{47} The difference may be that now these consequences seem magnified by the increased economic value intellectual property represents in a more mature economy. The cost of getting intellectual property wrong creates a juridical risk that threatens the public interest. That is, if the public interest is almost routinely enhanced by intellectual property, reasonably considered, the public interest is at least as routinely menaced by intellectual property misconstrued.

Accordingly, it must follow that if there were (1a) a patent on a real invention, (1b) really infringed; or if there were (2a) a copyright on a real work of authorship, (2b) really copied, reproduced, adapted, or in the appropriate categories publicly performed or displayed; or if there were (3a) a real trademark on (3b) a really distinctive and nonfunctional designation, that is (3c) really infringed by some act that really creates a likelihood of confusion, then in each case, ordinary principles of equity would ordinarily point towards injunctive relief in the public interest. This would be the first model of eBay, the ordinary

\textsuperscript{44} Id.

\textsuperscript{45} See \textit{Restatement}, supra note 41, at § 16 (stating conditions under which the design of elements that constitute the appearance or image of goods or services, including packaging, product features or combination of product features are eligible for protection as a mark: distinctiveness and non-functionality); see \textit{infra} note 110 (sampling some of the cases).

\textsuperscript{46} Folsom, 9 F. Cas. at 344.

\textsuperscript{47} Id.
remedy, mediated by the fourth equitable factor. But if not, then not: that is, if there were a set of identifiable “problem” patents, copyrights or trademarks, then ordinary principles of equity would point away from injunctive relief, every bit as much in the public interest, determined by the same fourth factor.

This is because it is not, nor can it be in the public interest to diminish the commons in return for little or nothing. In such cases of little or no return to the public, and even though existing law may compel the reluctant conclusion (until real reform might be obtained, if ever) that there is a valid intellectual property interest which has been infringed, the limited remedy permitted by eBay can be a welcome relief, a safety valve to protect intellectual property against itself. In these cases, eBay provides a limited remedy in intellectual property law to protect against the overreaching of the law itself.

This has a parallel to an observation made some 40 years ago in a different context. It was then posited that the discipline of securities regulation was founded in the public interest and designed to achieve “truth in securities.” It was famously suggested that if disclosure were good, more would be better. Theoretically, an objective of full disclosure would be served “by having (1) as many issuers as possible (2) disclose as many facts as possible (3) as completely as possible, (4) on a fully current basis (5) with perfect accuracy and objectivity (6) in such form as to be most readable and accessible by all interested investors.” To be sure, such theoretical perfection is unrealizable. But framing the issue in that way served to raise the useful and “real” question “whether the present system’s compromises are the most sensible and desirable ones in light of the practicalities.”

48. This would be the opposite of the “bargain” or “incentive” notion by which the public has chosen to recognize intellectual “property” in the first place. See supra notes 34 & 38 (reciting the conventional claims). Intellectual property is, according to the orthodox bargain theory, an “unnatural” and conventional property, different in its origin, scope and consequences from “ordinary” property, and not necessarily subject either to the natural rights theory upon which ordinary property claims may rest, or (one might suppose) to the “takings” jurisprudence with which ordinary property claims are conventionally clothed. The orthodox bargain theory may have been a poor historical choice, but it probably remains the current legal reality.


50. See infra text accompanying note 125.

51. Truth in Securities Revisited, supra note 2, at 1340.

52. Id. at 1367.

53. Id.

54. Id.

55. Id.
questions were widely credited with leading to sensible reforms, including the integration of securities law by administrative-law-based measures initiated within the Securities and Exchange Commission pursuant to its rule-making powers, and without waiting upon the recodification of securities laws, which never happened.\footnote{See, e.g., \textit{Thomas Lee Hazen, The Law of Securities Regulation} 119, n. 15 (5th ed. 2005); \textit{Louis Loss, The Fundamentals of Securities Regulation} 39, nn. 6–9 (2d ed. 1988); \textit{Joel Seligman, The Transformation of Wall Street} 605–06 (3d ed. 2003).}

If there is any “truth in intellectual property” it may be that “good” patents, copyrights and trademarks either do not diminish the commons at all, or do so in the public interest. There is a public interest in vindicating private property in good patents and copyrights. There is a public interest in avoiding likelihood of confusion in trademark law. There is also a public interest in obtaining the patent and copyright bargain of increased innovation or of increasing quantities of works of authorship in return for yielding a higher return to inventors and authors. Conversely, there is no public interest in “bad” patents, copyrights or trademarks. The equitable principles that permit a court to grant or deny full injunctive relief, depending on whether the public interest is disserved thereby, may be a line of defense for truth in intellectual property while real, substantive reform, clarification or modification of those regimes still remains short of realization.

II. REAL REFORM

A. True Patents Versus Novelty Items (also Candor, Claims, Construction & Trolling)

It is probably not the case that there are hordes of cheats, trolls and opportunists engaged in sham invocation of this nation’s patent laws as an exercise in fooling the patent office, tricking the courts and extorting exorbitant and undeserved returns from the public. This is simply because significant aspects of patent law itself are inherently indeterminate, casually incoherent, or impossible of rational application. And that is to say there is nothing “cheating” about using the law exactly as written and exactly as it has been authoritatively construed by courts to tie the patent system up in knots. The difference between a “good” patent and a “bad” one is simply between the kind of patent we might wish were routinely produced according to current law, and the kind of patent that in fact is routinely produced according to current law.
Some examples will help to illustrate the point that is probably so nearly second nature to patent lawyers that we either have become jaded, or else have fallen for our own self-congratulation, and yet is perhaps elusive to those who have never known the pleasures of patent prosecution or routine practice.

1. Obviousness and Novelty Items

A novelty examination consists, essentially, in finding a single instance (a “reference”) which contains each and every limitation of a claim sought to be patented, in the same combination as claimed. If a claim “reads” on a reference (or if, as a layperson might say, if it maps to the reference), then that claim lacks novelty. It is not novel and hence not patentable because the reference “anticipates” completely the claimed subject matter. The Patent Office’s examiners are pretty good at spotting lack of novelty. The examiners possess the training and resources appropriate to the task, and the Patent Office has sufficient repeat business and other incentives to create the conditions in which good novelty examinations should be the norm.

Novelty, however, is not enough. The patented invention must also be one that is not obvious. No one is very good at assessing obviousness, or its lack (an asserted claim that is obvious is non-patentable, hence the patent-seeker’s holy grail is “non-obviousness”). By statute, and by pre-statutory practice, non-obviousness is a step beyond mere novelty. By theory and by law, a claimed invention may well be “novel” in the sense that no one has ever before made the same invention (indeed, it must be novel or there is no need to go to the next level), and yet the claimed invention is still unpatentable if it would have been “obvious” to make, even though no one had ever made it before.

How to assess non-obviousness, and to do so without tainting the analysis by that sort of “hind sight” according to which everything that has been done must now seem pretty obvious, once it is understood? The current statutory formulation and its judicial gloss are as plain as can be. First, one measures the level of the “current art.” Then one determines the level by which the claimed invention exceeds the state of the relevant art, measuring the distance, or step by which the claimed invention

advances the art.\textsuperscript{60} Finally, one gauges the capacity of those skilled in the art and determines the step that could be taken by any such "routineer." If the claimed advance is within the range of anyone skilled in the art, then it would have been obvious; the claimed invention lacks non-obviousness, and it is not patentable.\textsuperscript{61} Nothing could be easier to imagine, or more capable of accurate statement.\textsuperscript{62} But few things could be less possible of direct proof or rational, predictable or practical application.

How, then, to assess non-obviousness by circumstantial evidence, if the statutory test is not directly workable? The current approach is to look for reasonable "secondary factors" from which an inference of non-obviousness can be drawn.\textsuperscript{63} If there has been a long-felt commercial need and if that need has gone unmet despite the efforts of many, then it stands to reason the invention must not have been obvious—if it were obvious and commercially valuable, then it would already have been invented.\textsuperscript{64} If there was immediate financial success on the part of the inventor attributable to the claimed invention, or if the invention has been honored by others, or if other circumstantial evidence points towards something "inventive,"\textsuperscript{65} then such factors point towards non-obviousness and towards patentability.\textsuperscript{66}

\textsuperscript{60} See Patent Act, 35 U.S.C. § 103(a) (2002); see also, e.g., Graham, 383 U.S. at 17.
\textsuperscript{61} Id.
\textsuperscript{62} See Hybritech, Inc. v. Monoclonal Antibodies, Inc., 802 F.2d 1367, 1383 n. 6 (Fed. Cir. 1986) (noting that it "bears repeating that it is crucial that counsel set forth the law [of obviousness] accurately . . . . Furthermore, arguing that 'it would be obvious' rather than that it would have been obvious shifts the court's focus") (first emphasis added).
\textsuperscript{64} One could almost spin a second cousin to the efficient capital markets hypothesis. An obvious invention is one that is either already knowable and so should be captured by the public "as if" it were historical information already in the public domain (weak form), or is "as good as" publicly disclosed and so should be captured "as if" it were current information already in the public domain (semi-strong form). But patentees typically are allergic to the language of modern corporate finance.
\textsuperscript{65} Of course, "inventiveness" is a word that must never be spoken in public, at least not in the United States after the effective date of the 1952 Patent Act which added what is now 35 U.S.C. § 103(a) to handle questions of "obviousness" rather than continuing to endorse the prior inquiry into "inventiveness." Cf. Hotchkiss v. Greenwood, 52 U.S. 248, 266 (1851) (declaring, in one strand of the opinion invalidating a patent on a porcelain door knob, which constituted a combination requiring no more skill than that possessed by an ordinary mechanic acquainted with the business: "The difference is formal, and destitute of ingenuity or invention.") (emphasis added).
\textsuperscript{66} Indeed, it might be wished that "reverse secondary factors" could be developed. These would point towards patent-defeating obviousness. For example, the fact of multiple, independent near-simultaneous invention might be relevant, quite independent of current "priority" disputes,
Finally, how to assess non-obviousness in an *ex parte* proceeding before the Patent Office? Lacking the means to run a full statutory test or to run the secondary factors, an examiner will tend to assemble a “tableau” of references in the “relevant” “prior art” that, when combined piecemeal, anticipate the claimed invention.67 These “combining references” are presumed to be within the ken of the person skilled in the art, and they might somehow constitute the “state of the art” prior to the invention.68 The examiner then, one would guess, estimates the distance by which the claimed invention has raised the level of the art, and imagines whether this combining step is one that *would have* been within the reach of the ordinarily skilled worker.69 Of course, the examiner has already assembled the combination in response to the claimed invention itself and so one can only guess how the examiner can assess the “skill” that would have made the same combination prior to the claimed invention. In answer to this question there rose the so-called “motivation” test: was there a “teaching, suggestion or motivation” to combine somewhere in the prior art?70 Faced with what seemed to be two separate tests for obviousness, the “skill” test of the statute and the secondary factors, and the “motivation” test of the patent examiners and the CAFC, the Supreme Court has recently reaffirmed the primacy of the skill test.71

Perhaps a more consistent application of the “skill” test, instead of, or in addition to, the “motivation” test, will clear everything up. It will simply as strong evidence that the claimed invention was obvious. The mere fact that another person *did* make the invention must be relevant to the question whether a reasonably skilled worker *could have* made the invention. See *John Patrick Merges & John Fitzgerald Duffy, Patent Law and Policy: Cases and Materials* 714 (4th ed. 2007) (suggesting there might still be some room to argue that nearly simultaneous development may indicate obviousness, notwithstanding the existence of interference procedures to adjudicate priority); *cf.* Rochelle Dreyfuss, *The Federal Circuit: A Case Study in Specialized Courts*, 64 N.Y.U. L. Rev. 1, 15–16 (1989) (observing that the CAFC “has rejected one objective criterion, that of simultaneous invention” but noting “there may be independent reasons” to regard such inventions as patentable.)

67. See *In re Winslow*, 365 F.2d 1017, 1020 (C.C.P.A. 1966) (setting up the “Winslow tableau” of pertinent prior art presumed to be known by the hypothetical person skilled in the art).
68. *Id.*
69. *Id.* at 1019. See *Hybritech*, 802 F.2d at 1383 n. 6.
70. The test might be called a “motivation” test, or it might be called a “teaching, suggestion or motivation” test. See *ACS Hosp. Sys., Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577 (Fed. Cir. 1984) (holding that “teachings… can be combined…. only if there is some suggestion or incentive to do so.”) The suggestion to combine might be implicit as well as explicit. *WMS Gaming, Inc. v. Int'l Game Tech.*, 184 F.3d 1339, 1355 (Fed. Cir. 1999).
71. *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1734–35 (2007) (“the [CAFC] has employed an approach referred to by the parties as the ‘teaching, suggestion, or motivation’ test… Because the Court of Appeals addressed the question of obviousness in a manner contrary to § 103 and our precedents, we granted certiorari… We now reverse.”)
probably result in fewer valid patents. However, it is hard to see how it will lead to any substantially greater clarity prior to final adjudication of any particular patent at least in certain difficult problem areas that are likely to remain. 72

A real patent reform might be for the Patent Office to adopt rules of practice whereby examiners would by default and in the ordinary case limit their examination to novelty only. In such a prosecution, the examiner would make a conspicuous notation in the file that this was merely a “novelty item” and entitled to a presumption of validity only as to novelty, and not as to non-obviousness. This would have the immediate advantage of freeing patent examiners to do what they can do best and releasing them from they cannot do well, if at all. It would leave the non-obviousness determination to be made in adjudications, adversary proceedings, and situations in which a “skill” based record can be made and tested, and where the stakes warrant it. 73

2. Candor

The prior subsection suggested a default examination on novelty only. Such an examination would have a secondary advantage on the “candor” problems. Currently a patentee is held to some standard of disclosure to the patent office having something to do with materiality, sometimes defined as one might expect “materiality” to be defined in real law, but sometimes defined with odd and competing “materiality for patent law” formulations and subsequent balancings that defy predictability. 74 If the default examination is a “novelty” examination

72. See, e.g., MERGES ET AL., supra note 66 at 692–93 (collecting a few of the split decisions at the CAFC on the obviousness issue and posing the question: “Do these splits indicate anything about the sufficiency or coherence of the doctrine? Or do they show that, no matter what the doctrinal flavor of the day, obviousness has a subtle bouquet that defies straightforward classifications?”)

73. Neither this nor other proposals made in this Article are new suggestions, but are old proposals, offered by many other commentators.

74. That is to say, in non-patent law. Compare, e.g., the “materiality” standards under § 11 of the Securities Act of 1933, and under the Securities Exchange Act of 1934. Rule 405 promulgated under the 33 Act provides: “The term material... limits the information required to those matters to which there is a substantial likelihood that a reasonable investor would attach importance in determining whether to purchase the security registered.” Rule 405, 17 C.F.R. § 230.405. So also, under the 34 Act, an omitted fact is material “if there is a substantial likelihood that a reasonable shareholder would consider it important in deciding how to vote.” TSC Indus., Inc. v. Northway, Inc., 426 U.S. 438, 449 (1976) (defining “material” in the context of a proxy statement).

75. Compare “new” Rule 56, 37 C.F.R. 1.56 (the duty of candor “includes” a duty to disclose “material” information to the Patent Office: “material” information is defined in terms of information that establishes a prima facie case of unpatentability, or that refutes, or is inconsistent with a position taken by the applicant) with “old” Rule 56 (information is material if there is a
only, then a corresponding default “duty of disclosure” obligation might extend only to items that completely anticipate the claimed invention at the level of novelty (and statutory bar). Beyond this level, and by rules of procedure adopted within the Patent Office, any applicant could request a “non-obviousness” examination, but conditioned upon and limited to only those references submitted by the applicant to establish the level of the prior art and pre-invention skill in the art, and likewise limited to those “skill” arguments adduced by the applicant with specific relevant passages highlighted by the applicant.

By conspicuous notation in the file, a patent examiner may make a clear record of the specific “non-obviousness” proof offered by the applicant, and the examiner’s review of it. The presumption of validity as to non-obviousness would extend only so far, and no further. The patent system would then incorporate, to some extent, the “insurance policy” incentives of disclosure under the federal securities laws. The more meaningful, complete and accurate disclosure is made in a securities filing, the more comfort the issuer and others potentially liable may take in avoiding liability for asserted omissions of material information.76 So also, the more meaningful, complete, full and accurate disclosure relating to “skill” in the art, and hence supporting a finding of non-obviousness, is made by or on behalf of an applicant in a patent application file, the more comfort the applicant may take in establishing a meaningful presumption of validity.

Such a modest change in procedures will build in an incentive to disclosure, taking substantial pressure off the more and more attenuated rules, regulations and tests for “candor.” That is, by creating a greater incentive for the applicant to speak, more applicants might be expected

76. See, Carl W. Schneider, Joseph M. Manko & Robert S. Kant, Going Public: Practice, Procedure, and Consequences, 27 VILL. L.R.EV. 1, 14 (1981) (observing that the prospectus for a registered offering is a “disclosure document, an insurance policy against liability” and that experienced counsel “traditionally lean to a very conservative presentation, avoiding glowing adjectives and predictions.”)
to speak. Having gone on record, the applicant’s file will contain written evidence against which a more traditional “materiality” standard can be brought to bear: Did the applicant omit to add such further material information, if any, as may be necessary to make the other statements, in light of the circumstances under which they were made, not misleading?

3. Claims and Construction

Current patent law clearly establishes claim construction is a matter of law for a court to decide, and that statutory equivalents are so decided, but that the “judicial doctrine” of equitable equivalents is neither an equitable nor a legal question to be decided by a judge, but is a fact question to be determined by juries. Current patent law also forbids “functional” claiming but admits of claims having varying scope and various formats. It is also possible to claim “business methods.” This leads to some difficulties explored in this and in the immediately following subsections.

Suppose (1) a claim for a method of securing a business, comprising the steps of

(a) identifying a vulnerable entryway to said business,
(b) capturing a jabberwock, and
(c) during a period of at least a first brillig, and whilst a plurality of slithy toves gyre and gimble in a wabe operatively connected to said entryway, and whilst a plurality of mimsy borogoves and a plurality of mome raths outgrabe within an audible distance from said entryway,
(d) positioning said jabberwock adjacent said entryway, and
(e) enabling said jabberwock to extend towards said entryway one of a pair of jaws that bite and a claw that catches, with an eye of flame,
(f) said jabberwock being capable of one of frightening and attacking from adjacent said entryway a potential unauthorized intruder, said intruder being unarmed with a vorpal blade but potentially determined to pass through said entryway.

It may be imagined there was a patent application disclosure and

78. Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17, 38 (1997) (the Supreme Court did not resolve the question whether equivalents were to be determined by judge or jury, but let stand the CAFC’s holding that it was for the jury to decide).
79. This might be referred to as the “jabberwock method of securing a business” patent.
80. Something to this effect: “Twas brillig, and the slithy toves / Did gyre and gimble in the wabe: / All mimsy were the borogoves, / And the mome raths outgrabe. / ‘Beware the Jabberwock, my son! / The jaws that bite, the claws that catch! . . . The jabberwock, with eyes of flame . . . ’” MARTIN GARDNER, THE ANNOTATED ALICE THE DEFINITIVE EDITION ALICE’S ADVENTURES IN WONDERLAND & THROUGH THE LOOKING GLASS BY LEWIS CARROLL 148–49 (2000) [hereinafter
drawings that supported the claim and that the applicant might have taken the opportunity to be lexicographer\textsuperscript{81} of the invention, all as permitted by present law.

If the patent proprietor alleged this claim valid and infringed, it would be necessary to interpret or construe the claim. There would be a "Markman" hearing, perhaps with some evidence or argument.\textsuperscript{82} Alice might testify, "it seems to fill my head with ideas—only I don't know exactly what they are."\textsuperscript{83} Mr. Humpty Dumpty might testify

I can explain all the poems that ever were invented—and a good many that haven’t been invented just yet . . . . 'Brillig' means four o’clock in the afternoon . . . ‘slithy’ means ‘lithe and slimy’ . . . ‘toves’ are something like badgers—they’re something like lizards—and they’re something like corkscrews . . . to ‘gyre’ is to go round and round like a gyroscope. To ‘gimble’ is to make holes like a gimblet . . . .\textsuperscript{84}

A dictionary might be consulted,\textsuperscript{85} and so on. From all of this, a district court is to figure out the one, true legal claim construction, as a matter of law. Then the Court of Appeals for the Federal Circuit is to do the same thing, reversing as it sees fit, based upon its own, perhaps purer reading of the pure law of patent claim construction.\textsuperscript{86}

Meanwhile, when it comes time to try the case, the alleged infringer

\begin{itemize}
\item \textsuperscript{81} Something to this effect: \textit{Bryllyg}: “the time of broiling dinner, i.e., the close of the afternoon.” \textit{Slythy}: “smooth and active.” \textit{Tove}: “a species of Badger, having smooth white hair, long hind legs, and short horns like a stag; lived chiefly on cheese.” \textit{Gyre}: “to scratch like a dog.” \textit{Gimble}: “to screw out holes in anything.” \textit{Wabe}: “the side of a hill.” \textit{Mimsy}: “unhappy.” \textit{Borogove}: “an extinct kind of parrot. They had no wings, beaks turned up, and made their nests under sundials: lived on veal.” \textit{Mome}: “solemn, grave.” \textit{Rath}: “a species of land turtle. Head erect, mouth like a shark: forelegs curled out so that the animal walked on its knees: lived on swallows and oysters.” \textit{Outgrabe}: “squeaked.” \textit{Id.}
\item \textsuperscript{82} \textit{Markman}, 317 U.S. at 388–89.
\item \textsuperscript{83} \textit{ALICE}, supra note 80, at 149.
\item \textsuperscript{84} \textit{Id.} at 214–16. Mr. Dumpty’s testimony might be discounted, of course, because he had earlier said something to the effect that words mean whatever he chooses them to mean, and the question is merely one of power. \textit{Id.} at 213 (“The question is, . . . which is to be master—that’s all”).
\item \textsuperscript{85} As an example, Slithy is a variation of sleathy: Slovenly, careless; also defined as “A word invented by ‘Lewis Carroll’: ‘smooth and active.’” Oxford English Dictionary Online, http://dictionary.oed.com.
\item \textsuperscript{86} The Federal Circuit reviews claim construction de novo, without any deference to the district court. Cybor Corp. v. FAS Techs., Inc., 138 F.3d 1448, 1451 (Fed. Cir. 1998) (en banc). This is not without controversy. \textit{See}, e.g., Phillips v. AWH Corp., 415 F.3d 1303, 1330–1 (Fed. Cir. 2005) (en banc) (Mayer, J., dissenting) (“Now more than ever I am convinced of the futility, indeed the absurdity, of this court’s persistence in adhering to the falsehood that claim construction is a matter of law. . . . Because the attempt to fashion a coherent standard under this regime is pointless . . . I dissent.”)
\end{itemize}
might contest the allegation of infringement. Perhaps the alleged infringer deployed "two" jabberwocks, arguing that the patent claimed "a" jabberwock and that "a" signifies "one and only one." Perhaps the alleged infringer deployed, not the extinct parrot-like "borogoves" of the claim, but living parrots having beaks turned down rather than up, and nesting beneath trees instead of beneath sundials. Now the jury might get to figure out whether a parrot with turned down beak and nesting beneath a tree is the "equivalent" of a borogove with turned up beak nesting beneath a sundial, the jury having been instructed to consider whether the asserted equivalent meets the "function, way, result" test for judicial equivalents.

In all of the foregoing, perhaps the only "real" legal issue was the question how to interpret the word "a" in the expression "a jabberwock." As a matter of law, judges can and should interpret terms of art that are used by patent lawyers customarily to signify fixed and determinate meanings. The term "a" (or "an") is one such term. It signifies "one or more than one." This is, and ought to be, a legal question to be decided by judges who are aware of the customs of the patentees, rather than by a jury. All the rest, however, seems upside down or backwards, as if seen through a looking glass or mirror. Why a judge is equipped to decipher "tove" or "mimsy" or any other word, as a matter of law, is not entirely clear. Perhaps we might guess judges are better at reading than jurors, or better at guessing than jurors, but that seems to beg the question why this is a matter of law rather than one of fact. Likewise, as a matter of fact, the jury is supposed to figure out what is "equivalent" to

87. See supra note 81 (assuming this might be the construction adopted by the Court).
89. ROBERT FABER, LANDIS ON THE MECHANICS OF PATENT CLAIM DRAFTING app. at D-1 (5th ed. 2004) ("A/An—(1) In a claim, the indefinite article A or AN connotes 'one or more . . . .' ").
90. To be sure, trial judges need not simply read or guess, and they certainly can spend hundreds of hours reading and rereading all kinds of source material, receiving tutorials on technology from leading scientists, formally questioning technical experts and testing their understanding against that of various experts, examining on site the operation of the principles of the claimed invention, and deliberating over the meaning of the claim language. If district judges are not satisfied with the proofs proffered by the parties, they are not bound to a prepared record but may compel additional presentations or even employ their own court-appointed expert.

Cybor, 138 F.3d. at 1477 (Rader, J., dissenting) (emphasis added). But given the CAFC's reversal rate of otherwise able (and otherwise busy if not overworked) trial judges, "hovering near 50%," id. at 1476 & n. 4, one wonders why any trial judge would bother to waste any time at all, much less hundreds of hours, rather than, say, just flipping a coin and being done with it. Duty and principle would, of course, forbid such a coin toss, but perhaps more litigants might simply stipulate to it in order to more rapidly bring the case to the CAFC for adjudication.
something contained within the patent claim, though they were presumably unable to decipher it in the first place.91

Perhaps, at the end of the day, it is fair to say some claims might be, in the words of the second concurring opinion in eBay: “vague.”92 This is not an accident, but is in the nature of the discipline at least in some patented inventions. The device of a nonsense poem, The Jabberwocky by Lewis Carroll might help the non-patent specialist who is reading this Article to imagine that some serious patent claims might read somewhat like, and might not be any more immediately clear to a judge lacking advanced technical training in the particular field involved.93 The “vagueness” might be part of the problem, inherent in the system, not the “fault” of patenteers, and not likely to go away simply because we might wish things could be easier. The question is what to do about it.

One administrative solution might be for the Patent Office to require of patent examiners (perhaps using the time they will save by foregoing routine “non-obviousness” examinations) that they annotate the file with a conspicuous glossary, or demand that the applicant do so, at least as to those words in certain claims that seem significant. As with the proposed novelty examination as a default, creating an incentive for the applicant to make an affirmative case for non-obviousness, so the glossary proposed by an examiner might spur an applicant more carefully to define its own words.94 If it were possible, a judicial or legislative substantive reform of the doctrine of equivalents might reintroduce some measure of predictability.


92. See supra text accompanying note 29.

93. See STEPHEN M. BAINBRIDGE, CORPORATION LAW AND ECONOMICS 24–26 (2002) (positing bounded rationality as a limit on rational choice theory) & id. at 254–56 (applying the consequences of bounded rationality to juridical agents and considering those consequences in the context of the business judgment rule: addressing the possibility that “[u]nder such conditions, judges will shirk—i.e., look for ways of deciding cases with minimal effort.”). Professor Bainbridge then distinguishes the work of the Delaware courts, in contrast to that of other juridical agents. Id.

94. In the absence of such a requirement, it is not impossible that an applicant might strategically refrain from including a glossary. By becoming a lexicographer, the applicant restricts itself to a smaller set of meanings; by refraining, the applicant might wait and see, and might adopt the meaning (the applicant’s, or Alice’s, or Mr. Dumpty’s, or that of a standard dictionary) most helpful to establish infringement. “Brillig” might mean “4:00 p.m.” or “sometime in the afternoon” or something else entirely. And the claim surely would have been better drafted if it read: “at a time nearly coincident with a brillig.” It might make a difference.
4. Trolling for Dollars

Apparently no one likes a troll, but no one knows what one is.\(^{95}\) Suppose a pair of brothers invented an airplane and claimed (1) a flying machine capable of carrying a person, comprising:

(a) an airframe that is heavier than air,
(b) an airfoil operatively connected to said airframe,
(c) a power source operatively connected to said airframe, and
(d) a control device associated with one of said airframe, airfoil and power source.

Suppose there was an enabling disclosure, describing a preferred embodiment: a rectangular frame of light wood (airframe); a biplane, two cloth-covered wings connected by struts and wires, each having a curve so that air passing over at a velocity creates a pressure differential causing lift (airfoil); an engine with a pusher–propeller blade (a power source); and a throttle, some cables and a yoke to pull them (control device). Let it be supposed there were some language in the patent application of some general import, perhaps along these lines: “what we mean by an ‘airfoil’ is merely a lifting body, anything that might provide, supply or enhance lift when connected to an airframe under any conditions that might provide a lift to the airframe.”

Now imagine that the brothers were able to keep a continuing patent application alive after having received an issued patent including claim (1) above.\(^{96}\) Suppose that during the pendency of the continuing application, someone else produced a dirigible and the brothers appended a new claim to their pending application, claiming [continuation claim (1)] a flying machine capable of carrying a person, comprising:

(a) an airframe that is heavier than air,
(b) an airfoil operatively connected to said airframe, \(\text{wherein said}\)
airfoil is a container suitable for holding a lighter-than-air gas,
  (c) a power source operatively connect to said airframe, and
  (d) a control device associated with one of said airframe, airfoil and
  power source.

Now let the question be asked, under both claim (1) of the original
patent and under claim (1) of the continuing patent: did the brothers ever
invent a dirigible, and regardless of whether they invented a dirigible,
did they, in fact, claim an invention that covers a dirigible? That is,
granting novelty and non-obviousness to the brother’s airplane claims,
does the dirigible infringe the claims of either airplane patent?

If, in fact, any patent system permits a continuing patent application
to remain open, it is hard to fault an applicant who keeps an application
open and who files something like an opportunistic claim (1) in the
continuing application. Yet it certainly seems as if the applicant derived
its claim in the continuing case from the allegedly infringing device. If,
in fact, any patent system permits broad claiming, it is hard to fault an
applicant who files something like a broad, almost functional claim (1)
in the original application. Yet it certainly seems as if the applicant had
no idea of any dirigible and contributed no dirigible-style innovation to
the public. But if at the same time that it encourages broad claims, a
patent system also requires the applicant actually to have invented what
he or she claims, and to describe and enable it with particularity, it is
hard to concede that the hypothetical brothers actually invented a
dirigible.

The examples could be multiplied. Suppose a helicopter (in this
case, the airfoil/lifting body could be alleged to be the propeller itself,
oriented differently but still operatively connected to the airframe), or a
space shuttle. Suppose a monoplane, or a tri-plane; suppose a dual
engine plane, and so on. If we were to reserve the word “troll” not
merely for non-producing inventors, but also for persons who seem not
to have invented what they claim, then the designation might become
meaningful.97 It might apply, perhaps, to some persons who never
market any invention, but only to that subset who not only don’t bring
any invention to market but also seem never to have invented anything
in the first place (or to have invented far less than they presently assert)
notwithstanding they might be in possession of an apparently valid
patent.

By regulation within the Patent Office, more care could be taken to

97. The imprecise word “troll” might be replaced by a term that puts the focus on the patent,
or a particular patent claim, rather than on the person asserting the claim. See supra note 95.
match disclosures with claims. At the same time, the prohibition against “functional” claiming might be applied irrespective of the format of the claim but to the substance of the claim. 98 So also, the Patent Office might itself regulate continuing patent practice. 99

5. Strange Subject Matter.

Imagine a method of coming to a conclusion, comprising the steps of asserting, first, a major premise containing a major term that is a predicate (P) of said conclusion; then asserting a minor premise containing a minor term that is a subject (S) of said conclusion; each of said major and minor premises also containing a middle term (M); and then distributing said middle term and drawing said conclusion.

The disclosure would, no doubt, explain the combinations, quantity and quality of the terms. One example might be: a major premise that is a universal affirmative (all M are P—all mice are mortal), a minor premise that is a universal affirmative (all S are M—Mickey is a mouse), and a conclusion that is likewise a universal affirmative ([therefore] all S are P—Mickey is mortal). Perhaps there would be tables, drawings or illustrations describing other valid combinations and supporting additional claims. The applicant might describe and claim some “computer means” for transforming said major and minor premises into a conclusion. If necessary, this might be coupled with some computer means for identifying what the inventor might describe as “common logical fallacies,” separating those from valid combinations, and sorting the valid combinations into forms and figures by pattern recognition. 100

Imagine a method of doing business, comprising the steps of: first,

98. That is, just as it is currently objectionable to claim “flying” because such a claim impermissibly claims a function, so it might become objectionable to file claims such as (1) above, even though in proper form, because they are substantively functional.

99. But cf., SmithKline Beecham Corp. v. Dudas, 511 F. Supp. 2d 652 (E.D. Va. 2007) (enjoining Patent Office’s proposed final rules regulating continuing claim practice). If the Patent Office were to enjoy the sort of rule-making authority exercised by the Securities and Exchange Commission, perhaps a level of “truth in intellectual property” might be reached from that direction, in addition to legislative initiatives, or the eBay alternative remedy.

100. While Aristotle’s Prior Analytics might have anticipated much of this hypothetical claim and defeated it for lack of novelty, Aristotle did not describe any digital computer. The hypothetical claim does not seem much more far–fetched than many such claims that have matured into issued patents without an examiner’s having cited prior art that would have supported an obviousness rejection to the claimed invention. See generally, eBay, 500 F. Supp 2d at 592 (denying injunction and expressing some doubt about the ultimate validity of the patent in question). The Supreme Court had previously characterized the invention as a “business method” patent for “an electronic market designed to facilitate the sale of goods between private individuals by establishing a central authority to promote trust among participants.” eBay, 126 S.Ct. at 1839.
buying low in a first market; and second, selling high in a second market, repeating said first and second steps in the order given, thereby practicing an opportunity for arbitrage, coupled with some computer means for transforming a "buy signal" into a "sell signal."

Imagine, as well, a method of creating a nonsense text, comprising the steps of coining some odd, yet slightly familiar-sounding words; employing them in unusual yet plausible combinations; and creating thereby a not altogether unpleasant, though somewhat strange effect upon a person apprehending said text.¹⁰¹

If it is really true that patentable subject matter now comprises anything under the sun known to humankind, then all that stands between the public and a patent claim like one of the foregoing in the first instance is the ability of a patent examiner to recognize and apply an obviousness objection. If both "business methods" and "mental steps" really are patentable, then there is reason to be concerned. Given the current, past, and anticipated future confusion about the obviousness standard, and doubts about the reasonable ability of patent examiners to apply it, here is yet another place for the limited remedy of eBay to protect the public interest.

B. True Copyright Versus Plagiarism Offenses

Space does not permit a full elaboration, but consider certain "problem" copyrights. Current copyright law permits some sort of copyright in "works of authorship" that comprise two and three dimensional works of art including statuettes incorporated into table lamps, decorative belt buckles, unposed photographs and more,¹⁰² as well as the overall look and feel of artwork and fictional characters, including the style of a poster, the image of puppet-like figures that

¹⁰¹. The patent disclosure might be very like that already given. ALICE, supra note 80 (The Jabberwocky). Indeed, this might be a continuing application, Patent Act, supra note 96, based upon that same disclosure were the applicant to notice that subsequent competitors decided to compete, not in the security arena, but in the literary arena. This could be referred to as "the method for creating nonsense text" patent. See further discussion, infra note 107.

¹⁰². E.g., Mazer v. Stein, 347 U.S. 201, 220 (1954) (statuettes) (Douglas, J., concurring) ("Is a sculptor an 'author' and is his statue a 'writing' within the meaning of the Constitution? We have never decided the question"); & id. at 220–21 ("The Copyright Office has supplied us with a long list of such articles which have been copyrighted—statuettes, book ends, clocks, lamps, door knockers, candlesticks, inkstands, chandeliers, piggy banks, sundials, salt and pepper shakers, fish bowls, casserole, and ash trays. Perhaps these are all 'writings' . . . [b]ut to me, at least, they are not obviously so."); Kistelstein-Cord v. Accessories by Pearl, Inc., 632 F.2d 989 (2nd Cir. 1980) (ornamental belt buckles); cf. Burrow–Giles Lithographic Co. v. Sarony, 111 U.S. 53 (1884) (upholding copyright in a carefully posed, costumed, lighted and otherwise originally disposed and arranged photograph).
appeal to children and more. Current copyright law permits a finding of infringement of a dramatic literary work even though not a single word, phrase, sentence or paragraph was copied but, instead, some clever "pirate" has duplicated the protected work at the level of abstract similarity between plot, sequence, character, and mood. Current copyright law might actually shut down, or dramatically reallocate costs associated with creating an indexed library in cyberspace, not because the indexer intends to make full text copies of copyrighted materials available in cyberspace, but because the indexer must first copy the material before it can be indexed (and because that initial act of copying constitutes an unconsented reproduction, and a prima facie copyright infringement which is asserted not to constitute fair use).

Imagine a copyright in a nonsense poem, The Jabberwocky, and then imagine the problems if that copyright were alleged by its proprietor to extend: to a cartoon character of a jabberwock, to a motion picture version, to representations of vorpal blades sold in replica in mass merchandising to promote the movie, to the "jabberwocky land" amusement park populated with folks walking around in the colorful costumes of the borogoves, raths, and other supporting characters. Of course, there might be non-literal infringement alleged against other poems, plays, movies, books, pictures, sculptures or other "copies" that touch upon the themes, plots, sequences, "look-and-feel" or other "copyrightable" aspects of the jabberwocky franchise. It might be alleged, for example, that Alice in Wonderland, assuming it to be under a subsisting copyright, is non-literally infringed by The Hitchhiker's Guide to the Galaxy. In any event, it seems such an allegation is no more or less silly than the notion that Romeo and Juliet, were it under copyright, might be infringed by West Side Story. The jabberwocky copyrights might, among other effects, extend the duration of any related jabberwock patents by a number of years in addition to covering material that wouldn't have been covered, at least by the two

103. E.g., Steinberg v. Columbia Pictures Induss., Inc., 663 F. Supp. 706 (S.D.N.Y. 1987) (a poster representing a stylized view looking west from New York towards the Pacific Ocean, infringed by a poster presenting a stylized view looking east from the city towards Moscow); Sid & Marty Krofft Television Prods., Inc. v. McDonald’s Corp., 562 F.2d 1157 (9th Cir. 1977) (infringement of "fanciful costumed characters").

104. Sheldon v. Metro-Goldwyn Pictures Corp., 81 F.2d 49, 55 (2nd Cir. 1936) ("We have often decided a play may be pirated without using the dialogue.")

105. This describes the Google library project. See Emily Anne Proskine, Google’s Technicolor Dreamcoat: A Copyright Analysis of the Google Book Search Library Project, 21 BERKELEY TECH. L. J. 213 (2006).

106. See ALICE supra note 80.
jabberwock-related method patents previously suggested.  

As in the case of “novelty items” contrasted with “true patents” so it might be useful to think in terms of “plagiarism offenses” as contrasted with “true copyright infringement.” By “plagiarism” is meant an offense which consists in failure to attribute, failure to provide notice, or failure to give proper credit to the original. By “copyright infringement” is meant an offense which subsists independently of crediting the original source and is not excused by such credit. If it were possible, an administrative, legislative, or judicial reform might cut back on “non-literal” copyright infringement, and of copyright infringement involving non-written works of authorship such as belt buckles, lamp bases, salt shakers, and the like. These might be required to be credited, and the offense might be styled plagiarism, accompanied by a more limited remedy of the type contemplated by eBay, and not the ordinary injunctive remedy that often accompanies copyright infringement. 

C. True Trademark Versus Clever Expressions

Space does not permit a full elaboration, but consider certain “problem” trademarks. Modern trademark law has come of age. It has its own metaphysic, and is no longer a simple thing or easily understood, explained, and applied. More importantly, it now can diminish the commons no less than copyright or patent. Some representative examples include the problems of marks in cyberspace.

107. See supra text accompanying note 79 (method of securing a business), supra text accompanying note 101 (method of creating nonsense). Perhaps this later might read on, say, the patent system itself, or the copyright system, or would have been obvious in light of the combination of the two. Or it might be useless.

108. Plagiarism, to be sure, is not an independently actionable offense, and this Article does not argue that it should become one. Instead, this Article suggests that certain problem copyrights, or instances in which there is non-literal infringement of a copyright, should be denied injunctive relief in the public interest. These might bear the label of “plagiarism offenses” on top of the technical copyright—a sort of quasi-plagiarism, described as such because of the limited remedy that would be granted—to distinguish these “problem” copyrights from those that are not problematic. Rather than a full, prohibitory injunction, the remedy for such problem copyrights might require notice, attribution or credit to the copyrighted work. See RICHARD A. POSNER, THE LITTLE BOOK OF PLAGIARISM (2007) (treating the copying of unprotected ideas as a plagiarism offense, but not as a matter about which the copyright law need be concerned) (reference supplied by Professor Reis).

109. See Thomas Folsom, Missing the Mark in Cyberspace: Misapplying Trademark Law to Invisible and Attenuated Uses, 33 Rutgers Computer & Tech. L.J. (2007) (asserting that current trademark law diminishes or spoils the commons in cyberspace, and that a limited remedy, like that suggested by eBay would preserve the public interest in a robust and freely navigable cyberspace); Thomas Folsom, Defining Cyberspace (Finding Real Virtue in the Place of Virtual Reality), 9 Tul. J. Tech. & Intell. Prop. 75, 115–16 & n. 103 (2007) (asserting that, if the law were to define an
examples include problems with promotional items, and with trade
dress, including problems with colors alone and with product features
comprising some sort of look or feel (as of a restaurant’s “décor” or of a
greeting card’s “overall look or feel”).

Imagine the attempt to assert a trademark in the distinctive and
non-functional design of a jabberwock, or of a vorpal blade, or of a
restaurant themed on the jabberwock poem, or a Jabberwocky Land
amusement park, or of various promotional items, thereby extending
indefinitely many of the practical advantages of any jabberwock patents
or copyrights. Likewise the Jabberwocky Land proprietor might assert
rights in a vanity phone number tied to its reservation desk: 1–800–
JAB–WOCK, or a vanity domain name: www.jabberwock.com. All
of these could lead to the “ordinary” likelihood of confusion problems,
not to mention the eventual claims for dilution if the marks should
become famous.

objective cyberspace and its functional values, it would be better able to adapt to the differences of
cyberspace without disregarding the public interest).


11. A competing reservation broker might take a “complementary” phone number, such as 1–800–JABW[zero]CK, or even 1–800–JABBWOC, hoping to trap misdialing consumers. See Holiday Inns, Inc. v. 800 Reservation, Inc., 86 F.3d 619, 626 (6th Cir. 1996) (holding: no liability despite predatory trapping, because such conduct did not constitute an infringing “use”). Or another person’s website might style itself www.jabberwocky.com or www.jabberwock.nu, or another person might attempt by some use of the mark to spoof a search engine to feature it instead of the trademark proprietor, or might purchase targeted advertisements triggered by “jabber” when typed by a computer user. See generally Folsom, Missing the Mark in Cyberspace, supra note 109 at pp. 157–59, 236–39 (proposing a flexible and limited remedy for “invisible and attenuated” users in cyberspace, including in the case of trapping vanity phone numbers). It is interesting to recall that Lewis Carroll, perhaps in simpler days, or perhaps out of sympathy for school girls, apparently gave away the right to use “The Jabberwocky” as the title of a high school’s literary magazine. ALICE, supra note 80.

12. See, e.g., Sandra L. Rierson, IP Remedies After eBay: Assessing the Impact on Trademark Law, 2 AKRON INTELL. PROP. J. 163 (2008). Perhaps a Jabberwock “family” of marks could become famous. The associated Jabber–Wok restaurants could sell “Wok Nuggets” or “Wok Muffins” and woe betide anyone who might think about opening a chain of budget hotels using something like one of the forbidden family of marks including “Wok” plus a generic word. A “Wok Right Inn” hotel, if proposed by a person other than the Jabberwocky proprietor could be in jeopardy (all mimsy, supra note 81, might be any person sponsoring such a thing, assuming such a person could use the word “mimsy” without multiplying the offense). Compare Quality Inns Int’l, Inc. v. McDonald’s Corp., 695 F. Supp. 198, 221 (D.C. Md. 1988) (holding that the “McDonald’s” family
As in the cases of "novelty items" contrasted with true patents, and "plagiarism offenses" contrasted with true copyright infringement, so also it might be useful to think of "clever expressions of near-functional features" or to think of "invisible and attenuated infringement" instead of, or in addition to "true trademark infringement." If it were possible, an administrative, legislative or judicial reform might cut back on clever expressions of near-functional features, and on trademarks generated out of invisible or attenuated uses in cyberspace and elsewhere. Meanwhile, there might be a limited remedy of the type permitted by *eBay* in the nature of an unavoidable and effective notice, disclaimer, or redirection of consumer traffic, and not the ordinary prohibitive injunctive remedy that often accompanies trademark infringement.

**D. Observations on Real Reform**

It should be apparent that "real" reform as used in this Article refers to substantive and perhaps radical change in those existing laws which lead to bad patents and to other "bad" intellectual property claims. These "bad" patents, copyrights and trademarks implicate a wide range of laws, doctrines, norms and practices, many of which have long been part of patent and other intellectual property law. Maybe the patent system is broken, maybe not (and the same applies to the other intellectual property law systems). Regardless, the existing rules, norms and practices that yield "bad" or low quality items are deeply intertwined with those that presumably lead to "good" items as well. Perhaps there will be an elegant, comprehensive and effective legislative solution. Perhaps the courts will find some way to effect a massive yet coordinated, disciplined and predictable re-working of their intellectual property jurisprudence. It is possible there might be some creative rule-making within the administrative agencies. 113 It is not likely that the systemic problems will be fixed anytime soon. In the meantime, the public may choke on all the intellectual property expansions, extensions, and non-literal emanations, shadows, and penumbras we have created. This may be exacerbated by the tendency to export, and then to embody in international harmonization protocols, some of the more expansive and more intrusive doctrines. One of the benefits of *eBay* is that it

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113. Indeed, this may be the most hopeful avenue for useful change. See *supra* notes 51–56 (suggesting the example of the Securities and Exchange Commission, confronted with seemingly intractable problems in the securities laws).
provides a safety valve, at least at the edge of patent law and other intellectual property regimes, and affords an opportunity both to rethink (in relative safety) and to back down some of the more extravagant claims of intellectual property law.

III. EMBRACING eBAY AT THE EDGE

A. Peeling Away Novelty Items (and Ghost Patents) from True Patents

It might well be possible and desirable to identify “problem” patents, or at least the classes of patents that typically seem to generate difficulties. Where current law seems to demand the conclusion that some issued patent is valid though it appears to reward mere novelty; or where there is a finding of non-obviousness based on a plausible reading of the prior art, but the invention seems suspect; the evidence of “skill,” secondary factors, and “motivation” to combine is closely balanced; where there is a legally compelled, though strained Markman-style claim construction, or a legally sufficient finding of equivalents, and yet the issue still seems doubtful because the claims seem so vague or infringement seems so non-literal as to be almost non-existent; or where the subject matter seems suspect though technically within the range, and there is not room yet to reform current law, then the limited remedy of eBay seems most appropriate. Over time, such concerns may create a specified public interest “factor list” that fleshes out the concerns noted in the second concurring opinion in eBay. That is, in addition to concern about the non-producing inventor, the patent on a component part, the business method patent, and the “vague” patent claim, the public interest might be affected by some combination of factors: (1) non-productive, (2) non-invented (or over-claimed or opportunistically later claimed), (3) strategically construed or non-literally infringed, or (4) vague patents (5) of suspect validity (collectively, “ghost patents” or “novelty items”) at least as much as by the so-called non-producing patent troll. Indeed, there seems no shame in not producing a patented product especially when it is expensive to do so. Instead, it is the ghost patent, not any particular inventor or applicant that disserves the public interest.

The public interest might also be disserved by mis-valuation problems attendant upon some prohibitory injunctions, especially those that cross markets. The market [1] for assignment or royalty upon a patented item, ex ante, might be dramatically different from the market [2] for the same patent, post hoc, when it becomes the equivalent of riskless equity participation by the patentee in an established firm after third-party investment and market capitalization, unearned by the patent proprietor. There may be some occasions where, in the public interest, the law might fairly resist being used to create an unearned and mis-priced opportunity for arbitrage. Such opportunistic arbitrage would permit a patentee to appropriate, not only an economic return in the first market (as by damages or by a reasonable royalty) but also an economic return in the second market (as by an injunction against an ongoing business with the effect of optioning a forced equity share to the patentee).
patent law. By withholding an injunction, the public interest in the commons is preserved against those patents, which though they seem strictly valid and infringed under current law, simply do not provide a benefit to the public sufficient to justify full injunctive relief.

B. Peeling Away Plagiarism Offenses (and Phantom Copyrights) from True Copyrights

It might be possible and desirable to identify "problem" copyrights. Certainly eBay's rationale is as applicable to copyright as to patent. It is commonplace that the logic of patent law often applies to certain analogous copyright problems, and vice versa. The eBay case itself cited copyright cases for the proposition that ordinary equitable principles apply to patent cases. A fortiori, the same copyright cases stand for the same proposition in copyright law. Where current law seems to demand the conclusion that some copyrighted subject matter is infringed even though the subject matter is scarcely a "writing"; even though the infringement is so non-literal as to be invisible or to reach mere unprotected ideas; even though the copying seems as if it "ought" to be fair use or within the public interest even though unusual or unique, or in cyberspace, and yet there is not room yet to reform current law, then the limited remedy of eBay again seems an appropriate safety valve to preserve the public interest against the overreach of copyright law. By withholding an injunction, the public interest in the commons is preserved against copyrights which, though perhaps strictly valid and infringed under current law, simply do not provide a benefit to the public sufficient to justify full injunctive relief. Cases of non-literal infringement, non-literary works, strange parodies, and indirect extensions of control are the kinds of cases in which the limited remedy, mediated by the public interest, might often apply: if there is a problem, it would seem to be with phantom copyrights, not with copyright "trolls." 115

115. That is, the public interest might be disserved by prohibitory injunctions granted in cases of non-literal infringement of non-written copyrights of suspect validity (collectively, "phantom copyrights" or "plagiarism offenses"). On the other hand, there would seem to be no shame in being an author of a real book whose manuscript is not widely circulated or, if published, does not achieve great distribution and it is hard to imagine that any such author would be called a copyright "troll." Cf. generally United States Naval Inst. v. Charter Comm., Inc., 936 F.2d 692 (2nd Cir. 1991) (describing declining hardcopy sales of Tom Clancy's first novel, THE HUNT FOR RED OCTOBER through a limited distribution specialty press compared to the early shipment of some 1,400,000 copies of the paperback edition through an unaffiliated major publisher holding time-delimited rights to the paperback version).
C. Peeling Away Clever Users (and Invisible Marks) from True Trademark

Prior Articles have already discussed at length the desirability of a limited remedy, like that of eBay, for the phenomena of mark-type disputes in an objective cyberspace, characterized by invisible or attenuated uses of expressions as address, magnet, roadblock or detour in space.\(^{116}\) That approach might be deliberately extended to other “problem” trademarks, including near-functional aspects of trade dress protection claimed in product features, and marks tied to promotional items.

The problems of colors, shapes (and “look and feel”) are each tied to the problem of the commons. Suspicion over color depletion, product trade dress, secondary meaning, distinctiveness and functionality are all based upon the more or less explicit recognition that something new is going on with trademark. It is not only that there is a move towards “proprertization”\(^{117}\)—if that were all, it would be a simple matter of taxonomy and semantics, perhaps problem-free or else manageable by careful application of existing doctrines in such a way as to avoid “doctrinal creep.” But it is more than that. Modern trademark is, in fact, and quite apart from semantics, in the process of diminishing the commons while no one was watching. It is now so deep in the process that some action is called for.\(^{118}\) These are the kinds of trademark cases in which the limited remedy suggested by eBay and mediated by the public interest might often apply.

D. Observations on Designed Disintegration

While the federal securities laws benefited from disciplined integration,\(^{119}\) the federal intellectual property regimes could benefit,
instead, from a designed and purposeful disintegration. The task would be to dis-integrate certain (commendable) intellectual activity from real intellectual property. This would allow the more purposeful regulation of intangible products of the mind in two distinct branches. It also explains why we use the adjectives “real” or “true” throughout this Article to distinguish the core of real (or true) intellectual property from its currently intertwined and presently misbegotten cousin: (commendable) intellectual activity that falls short of constituting real intellectual property.

According to this proposed division between intellectual activity and intellectual property, all of the various novelty items, invisible or attenuated trademarks, ghost patents and phantom copyrights that bedevil the law while creating “bad” IP should be placed outside of intellectual property law. They belong, analytically at least, and for purposes of eBay, in the realm of intellectual activity. They should be protected, if at all, by a different set of rules, starting with the limited remedy permitted by eBay. The typical remedy for (commendable) intellectual activity might be an acknowledgment, a notice, disclaimer, or a redirect to the original. Beyond these, in suitable cases, some other graduated or proportionate remedy, including damages or some other monetary relief might be fashioned.

Once the cluster of novelty items has been peeled off and recognized as commendable intellectual activity not rising to the level of intellectual property, then real intellectual property may be reclaimed. Given real patents and real copyrights, really offended by literal infringement; given real dilution (if there is any need for the doctrine); given real trademarks offended by nearly identical designations used on really competing or closely related goods or services perhaps the law of intellectual property might concentrate on protecting the real thing, rather than chasing after the shadows of merely commendable intellectual activity.

Once the novelty items—including (a) plagiarizable but uncopyrightable and unpatentable ideas, concepts, systems, processes, looks-and-feels, overall images; (b) cute but uncopyrightable and unpatentable product features; (c) cyberspace addresses, magnets, roadblocks and detours and other faux problems—have been recognized as matters of (commendable) intellectual activity short of, and distinct

120. According to this proposed classification, the genus is “intangible products of the mind” and its two species are: (1) intellectual property and (2) intellectual activity not rising to the level of intellectual property. I am indebted to Professor Robert Reis for this idea, though he is not to be blamed for the way it is expressed here.
from intellectual property, then federal juridical agents may indulge their passion for creativity to their heart’s content, doing what they please to encourage what they imagine to be commendable intellectual activity, but without compromising real intellectual property.

Such a disintegration of mere intellectual activity from real intellectual property can be accompanied by a concomitant roll-back of asserted rights in mere intellectual activity. This is no longer rebellion, but is now authorized by eBay. The opportunity to roll back the excesses at the edge of intellectual property ought not to be taken in some tentative, timid or tepid fashion, but should be embraced. The roll back can save intellectual property from itself and from the nonsense at the edges that threatens to engulf the whole.

CONCLUSION

No one needs to be an enemy of intellectual property law to notice there are some infelicities and incoherencies contained within each of patent, copyright and trademark not likely to be resolved soon, though some steps might be taken in that direction. Nor does one have to be a scold, as if juridical agents should themselves be blamed for the failures or as if they could just make things right if they were only somehow to become more careful in applying existing principles of law to the facts at hand. Nor, of course, should “inventors” and “authors” or “trademark” proprietors or the lawyers who advise them be faulted for trying to follow the law at the edge of intellectual property, because they are merely trying to take the law as they find it.

These “problem” patents, copyright and trademarks have been an enduring part of intellectual property law and have resisted efforts to reform, clarify or perfect them thus far. They are almost certainly

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121. One might wonder: where is the doctrine of *Erie Railroad* when we need it? *Erie R.R. Co. v. Tompkins*, 304 U.S. 64 (1938). But surely there must be some room for a federal common law of intellectual activity outside of true patent, copyright, and common law trademark as affected by the register created by the federal Lanham Act?

122. The competing trends towards either too much or too little patent and copyright, and the danger to the public domain and to innovation (problems with the “commons”) are well known. See, e.g., *Lawrence Lessig, The Future of Ideas: The Fate of the Commons in a Connected World* xvii (2002).

[Y]ou can believe in copyright without believing copyright should be perpetual. You can believe in patents without believing that everything under the sun should be patented. You can believe in these tools to inspire innovation without believing these tools should become so bloated as to destroy the opportunity for innovation . . . I believe in this balance.)

123. See Bainbridge *supra* note 93 (applying agency and transaction cost analysis to juridical agents under conditions that predict systemic failure).
systemic problems. In these cases, the limited remedy of eBay is as good a solution as any, and is one that should be welcomed "at the edge" of intellectual property. This Article embraces the limited remedy of eBay at the edge, and explicitly in the public interest. As to the rest of intellectual property apart from the "problem" cases at the edge, this Article either expresses no opinion or else would anticipate that the ordinary, full injunctive remedy of eBay would apply at the heart or core of intellectual property disputes where a valid intellectual property interest has been infringed.

The solution proposed by this Article thereby reconciles the two versions of eBay, both the first and the second concurring opinions, and proposes an approach that district courts might find principled, predictable and practical. In so doing, this Article does not rely on bad poetry or ersatz policy, but is based on recognizable legal principles that are reasonable, good for a defined public interest, articulated in advance, and authorized for juridical implementation.

This is, in short, another application of modern moral realism to a particular legal problem. It seems like a good idea that is permissible within the discipline of current law. It might therefore be adopted by judges who can apply it, practicing lawyers who can counsel clients in relation to it, and by clients (the ultimate consumers of a rule of law) who might be able to understand it. Moreover, if and to the extent judges successively explain exactly why they refrain, in the public interest, from granting prohibitory injunctive relief after finding any particular IP interest valid and infringed, the ideal of truth in intellectual property may be more nearly realized.

This experiment in the public interest can be conducted with minimal disruption to settled law. It proceeds with a safety net already in place. It does not simply break all the mirrors in the hall of mirrors and start over again, and it does not try to fix the pieces of an engine while in motion, or to "re-do" patent law on the fly. Instead, the possibility of

124. It is reasonable, good for the public interest, authorized, and capable of explanation. See Thomas C. Folsom, The Restatement of the Obvious, 16 Regent U. Law Rev. 301, 332 (2004). It would seem evidently true that any attempt to improve a given law in any of these aspects might, other things being equal, be welcome. See generally Thomas Aquinas, Summa Theologica, Ia Iae [first part of the second part] q. 90-108 [questions 90 to 108], the "Treatise on Law" and esp. id. q. 90, a. 4, ans. [question 90, article 4, answer] ("law" as an ordinance or rule [1] of reason, [2] directed to the common good, [3] promulgated in advance, [4] by someone who has authority to do so). These might even be considered to be rather modest criteria. See id., q. 96, aa. 2 & 3 [question 96, articles 2 & 3]. The rule of law can withstand a number of challenges, but there are at least two things it cannot: one of them is ridicule. The eBay rules, both the first and the second concurring opinions, can save intellectual property from those oddities at the edge of the law that begin to make Alice's Jabberwocky look sensible in comparison, meanwhile holding fast to the core of IP law.
reform begins by recognizing an interest that is valid and infringed under existing law, rules, norms and practices. It then extends itself as judges, successively and over time, articulate exactly why the public interest may be disserved, in any particular case, by the grant of an injunction. Over time, one might expect patterns will emerge from the data of the decided cases. If there is an observable logic in the data, then that may become the basis for designing appropriate reforms into the substantive law. There is every reason to hope that a self-modifying heuristic or rule of thumb may develop in the aftermath of eBay.

125. While the eBay experiment is on-going, the existing system remains protected by the award of money damages, or by entry of a more tailored and limited form of injunctive relief (and by the entry of broad prohibitory injunctive relief when called for under the first model of eBay which is invited by Justice Roberts' concurring opinion). The public interest is protected, at the same time, by the denial of broadly prohibitory injunctive relief under the second model of eBay as invited by Justice Kennedy's concurring opinion. The opportunity for reform is enhanced by the "laboratory" findings produced by judicial explanation in those cases where the injunction is denied after a finding of validity and infringement. While this is not exactly the "revenge of the common law judges" against a system gone unworkable at the edges, it does invite their disciplined participation in what might become a more public discussion of the public interest in patent law. It would be good to have that discussion now, so that results can be incorporated sooner rather than later. With the passage of time, and without the benefit of eBay's limited remedy, all these existing norms including those that lead to ghost patents, phantom copyrights and invisible trademarks (or to "bad" intellectual property controlled by "trolls" or other "bad" actors) would become not only further entrenched in United States law, but would become more and more internationalized in global treaty systems, and all the more difficult to undo.
APPENDIX A: BEWARE THE JABBERWOCK!

"Beware the Jabberwock, my Son! The jaws that bite, the claws that catch!"

This Article discusses various novelty items, ghost patents, phantom copyrights and invisible or attenuated trademarks and claims they constitute some of the instances in which the public interest may be disserved by the grant of a prohibitory injunction.

For the use of Lewis Carroll’s poem, The Jabberwocky, as a potential generator of nonsense, or ghost patents, see supra sec. II (A) (method for securing a location; method for creating nonsense text); as grist for phantom copyrights, see supra sec. II (B) (non–literal infringement and non–textual subject matter); or as affording the opportunity for invisible or attenuated trademark claims, see supra sec. II (C) (1–800–JAB–WOCK; “Jabberwocky Land” theme park and cartoon characters).

126. ALICE, supra note 80, at 148.