Richmond Journal of Law and Technology

Volume 7 | Issue 1 Article 3

2000

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Volume VII, Issue 1

Fall 2000

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Cite As: Peter J. Corcoran, *Administrative Procedure Act Standards Governing Judicial Review of Findings of Fact Made by the Patent and Trademark Office*, 7 RICH. J.L. & TECH. 1 (Fall 2000), *at* http://www.richmond.edu/jolt/v7i1/article1.html.

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I. INTRODUCTION

{1}The United States Patent and Trademark Office (the "PTO") is one of the oldest agencies in the American administrative system. (1) Throughout the history of the United States Court of Appeals for the Federal Circuit ("Federal Circuit") and its predecessor courts, (2) the factual decisions of the PTO administrative boards have been reviewed by the same standard that is applied to decisions of district courts. (3) The standard that has been used is the "clearly erroneous" standard, and its use to review PTO decisions dates back over one hundred years. (4)

{2}The clearly erroneous standard of review generally governs appellate review of district court findings of fact, and the Federal Circuit has used this standard rather than the less stringent standards set forth in the Administrative Procedure Act ("APA"). (5) In light of recent developments, however, the Federal Circuit is now required to apply the standards of review set forth in section 706 of the APA. (6)

{3}The standards of judicial review in section 706 include the "arbitrary and capricious" and "substantial evidence" standards. (7) Under these standards, the Federal Circuit is to set aside PTO findings of fact found to be arbitrary, capricious, an abuse of discretion, or unsupported by substantial evidence. (8) Issues related to underlying factual determinations made by the PTO, however, may now become virtually unreviewable on appeal by the Federal Circuit under section 706 standards. Affected issues may include PTO factual determinations about utility, (9) anticipation, (10) best mode, (11) written descriptions, (12) and obviousness. (13) Other affected issues may include the determination of what prior art (14) references teach and the differences between those teachings and a claimed invention. (15)

II. BACKGROUND

A. *Administrative Law and the Administrative Procedure Act*

{4}Administrative law is governed predominantly by the Administrative Procedure Act ("APA"). (16) Enacted in 1946, this Act governs most decision-making by federal agencies. (17) While courts ultimately interpret the law, they often defer to an agency's interpretation of the law's enabling statute, especially when

Congress explicitly empowers the agency to interpret the laws it enforces. (18)

{5}In a review of agency action, section 706 of the APA governs "questions of fact" (19) and provides three criteria to consider when reviewing agency determinations of fact. (20) While substantial deference is given to agency factual determinations, actions that are: (1) arbitrary and capricious; (2) unsupported by substantial evidence gathered through formal hearings; or (3) unsupported by facts considered on de novo review, must be set aside. (21)

{6}The "clearly erroneous" standard of the Federal Circuit provides a more rigorous review of agency findings than does the "substantial evidence" standard of the APA. (22) The substantial evidence standard has been compared to the appellate review of judgments predicated on jury verdicts. (23) The APA's substantial evidence standard, however, is a more rigorous review of agency findings than is the APA's "arbitrary and capricious" standard. (24) Regardless of the scope of review, the examining court is required to give the agency's action "a thorough, probing, in-depth review." (25)

{7}The APA's substantial evidence test applies only to formal adjudication and formal rulemaking made on the record. (26) The court must evaluate the record of the agency's proceedings to ascertain whether evidence exists in the record as a whole to support the agency's decision, regardless of whether the court would have reached a different conclusion on the same facts. (27) The key to the test is whether a "reasonable mind" would accept the evidence "as adequate to form a conclusion." (28)

{8}The APA's arbitrary and capricious test is applied to review agency acts that occur through informal adjudication. (29) Although this inquiry into the facts intends to be searching and careful, "the ultimate standard of review is a narrow one." (30) So long as there is a rational basis for the agency's decision, the reviewing court may not overturn an agency's action as arbitrary or capricious. (31)

B. *Administrative Proceedings in the Patent and Trademark Office*

{9}A patent applicant may appeal a patent examiner's final rejection to the PTO's Board of Patent Appeals and Interferences ("BPAI" or "Board"). (32) Each appeal is "heard" by at least three members of the Board who are chosen by the Commissioner of Patents and Trademarks ("Commissioner"). (33) The Board may affirm or reverse the examiners' action and may enter a new ground of rejection. (34) From an adverse ruling of the Board, the applicant may either appeal on the record to the Federal Circuit (35) or file a de novo civil suit to obtain a patent against the Commissioner in the Federal District Court for the District of Columbia. (36)

III. ANALYSIS

A. *Policy Arguments Against Section 706 Review*

1. Creation of an Appeals Anomaly Arising from the PTO

{10}Adoption of section 706 review will create a "two-standard scheme" of judicial review whereby direct appeals to the Federal Circuit (37) would be reviewed for the first time under the substantial evidence test (38) and indirect appeals to the Federal Circuit would continue to be reviewed under the clearly erroneous test. (39) This "two-standard scheme" will skew the review process, impose undue burdens on applicants, and inevitably lead to irreconcilable results. (40)

{11}Currently, a majority of patentability appeals from the PTO are made directly to the Federal Circuit because it is less expensive and less time consuming than the double-layered review alternative where the

appeal must be made first to the federal district court. (41) Reducing the intensity of the scrutiny received by direct appeals to the Federal Circuit under section 141 inevitably will cause rejected applicants who have the resources to select an indirect appeal via the federal district court under section 145.

{12}Appeals to the Federal Circuit are based upon the written record prepared in the Patent Office. (42) By the time an appeal is taken, the applicant will have already prepared (for the Board's consideration) a brief setting forth the relevant background and authority in support of his or her position. (43) The appeal procedure under section 141 is quick and inexpensive and will produce a reasonably expeditious result. Because this procedure is believed to offer a reasonable opportunity to secure patent rights that improperly were withheld by the Board, it is the procedure of choice for securing judicial review. (44)

2. Necessity of "Clearly Erroneous" Standard in the Federal Circuit

{13}The determination of patentability involves the adjudication of a constitutionally-based statutory right. (45) Yet, the PTO's administrative process for deciding that right is remarkable for the absence of usual procedural protections designed to ensure the accuracy of agency fact-finding. (46) Board panels are selected by the Commissioner and are not protected by the safeguards of independence and insulation required of administrative law judges. (47) PTO rules of practice neither provide for live testimony to be taken (48) nor allow cross-examination of adverse evidence. (49) Moreover, the practice rules do not prohibit consideration of materials outside the record, (50) and the Board's ex parte hearings proceedings require trial-type procedures and reliance on a closed record. (51) Under the circumstances, the "heightened scrutiny," applied over the past century to review PTO fact-finding, seems a modest but appropriate step. (52)

{14}Review of PTO decisions, however, presents a distinctively different circumstance. In 1929, acting against the background of the already well established "clearly erroneous" standard, Congress created the Court of Customs and Patent Appeals ("CCPA") as a specialized court to hear the technically intensive appeals arising in customs and patent matters. (53) In recognition of the "selective benefit of expertise in highly specialized and technical areas," (54) Congress created the Federal Circuit in 1982, thereby extending the CCPA's model of concentrating appeals of certain types of cases in a single appellate court. (55)

{15}A prominent congressional concern in creating the Federal Circuit was to promote uniform and well-informed treatment of patent cases. (56) To meet this concern, Congress invested the Federal Circuit with expertise in patent issues as well as jurisdiction over all patent appeals (not just those from the PTO). (57) Because patent law often intertwines legal principles with technical facts, Congress also provided the Federal Circuit with the CCPA's practice of using technical advisers to assist in resolving patent appeals. (58) By congressional design, the Federal Circuit reviews patent issues with special institutional competence in the intricacies of patent law, as well as with the necessary technical expertise.

{16}The Federal Circuit's review of PTO decisions, therefore, does not present the usual circumstance of a generalist court reviewing a specialist agency with the attendant danger that judicial review will dilute agency expertise. It instead presents a distinctive situation (59) in which Congress has established an expert appellate court to review an expert agency. In view of the Federal Circuit's well recognized patent expertise, (60) the benefits of expert decision-making are fully preserved by its review of PTO administrative boards under the "clearly erroneous" standard. The "clearly erroneous" standard is the standard appellate courts commonly employ for review of district court findings and accords a substantial deference (61) that sensibly flows from the trier of fact's greater familiarity with the evidence received. Accordingly, a judicial change to the more deferential "substantial evidence" standard is wholly unnecessary in view of the provision by Congress of a specialized court to review determinations of the PTO Boards. (62)

3. Stare Decisis Counsels Against a Change in Existing Law

{17}The Federal Circuit and its predecessors have applied the clearly erroneous standard of review for over a century. (63) To abandon the wealth of precedent in support of this standard would run counter to the principle of stare decisis and would indicate an unnecessary departure from precedent. The U.S. Supreme Court has made clear its preference for stare decisis (64) and has outlined four factors that should be weighed when a court is considering whether to disregard prior decisions. (65)

{18}Notwithstanding the traditional application of the clearly erroneous standard to PTO patentability determinations, the Federal Circuit in 1995, nearly half a century after the APA, contemplated whether to apply the APA standards of judicial review rather than the clearly erroneous standard of the Federal Circuit. (66) Thus, as a practical matter, the principles of stare decisis counseled against disturbing the established standard of review because "it is more important that the applicable rule of law be settled than that it be settled right . . . even where the error is a matter of serious concern. "(67)

B. *Policy Arguments in Favor of Section 706 Review*

1. APA Applies to PTO as an "Agency"

{19}The question is not whether PTO examination proceedings are the type of agency action that is well suited to APA standards of judicial review. The proper question should be whether something is so special and so different about PTO patent application examination proceedings that the APA must not apply. (68) Such agency proceedings exist, but in those rare instances when they exist, the agency receives a higher degree of judicial deference and not a lower degree. (69) Except for the practice of the Federal Circuit, with respect to direct appeals from the PTO, no precedent exists for judicial review of agency orders on direct appeal under a lower deferential standard than that of the APA. (70) In short, the default rule is that the APA standard of review applies, (71) and no case has been made for departing from that rule. (72)

{20}Indeed, the allowance or rejection of a claim to a patent is the very kind of "agency action" to which the APA applies. (73) Allowances and rejections fit squarely within section 551(11)'s definition of "relief. " (74) The grant of a limited exclusive right (a so-called patent "monopoly") to a patent applicant is a grant of a license or privilege (75) or the recognition of a claim, right, or privilege. (76) If it is not, then certainly the grant falls within the catch-all of "taking other action [on a person's] application . . . and beneficial to [the] person. " (77)

2. No Appeals Anomaly Exists

{21}Critics of section 706 review have said that an anomaly would arise if district court fact-findings relating to patent validity were reviewed on appeal under the clearly erroneous test while PTO fact-findings relating to rejections of invalid claims were reviewed on appeal under the substantial evidence test. (78) That contention collapses upon scrutiny. For example, when the International Trade Commission ("ITC") decides the validity of a patent, (79) the Federal Circuit reviews the agency's fact-findings under the substantial evidence test. (80) A district court, however, might uphold a given patent and the ITC might invalidate it, or vice versa, and the findings of fact of the district court would be reviewed under the clearly erroneous test by the Federal Circuit. (81) Therefore, an anomaly already exists and is intractable. Many other such statutory schemes exist, under which the same statute can be enforced before an agency or in a federal district court, leading to parallel substantial evidence and clearly erroneous judicial review tracks, without any difficulty to the public. (82)

{22}The proponents against section 706 review further point to the absence of any explicit reference to APA

review standards in the patent code. (83) This contention is also without merit. Many agency-made statutes exist without specification of standards for review of agency actions, but the courts nonetheless apply section 706 standards to review of actions of the agencies. (84) The Federal Circuit also has applied APA standards to judicial review of PTO actions that are not reviewable by direct appeal (85) and for which the patent laws do not provide any specific standards for judicial review. (86)

3. APA Section 706 Describes Both Upper and Lower Thresholds and Not Just a "Minimum" Standard

{23}Finally, the argument has been made that APA section 706 sets only a "minimum" standard that agencies must meet, (87) and, therefore, even though the PTO's status as an "agency" (88) automatically triggers the APA and section 706, (89) a reviewing court is nonetheless free to impose on an agency a more searching standard of review. (90) According to the argument, section 706 fails to require courts to not set aside agency action that passes muster under all of the tests listed in section 706. (91) No judicial decisions expressly reject this argument, but the better view would seem to be that the APA specifies an exclusive or generic standard of judicial review, and once the APA is triggered, section 706 describes both the upper and lower thresholds for upholding agency orders. (92) In addition, Congress has codified in a uniform law of judicial review, the APA, and its concept of how appellate courts should interact with agency fact-findings. (93)

C. *Effects of APA on the PTO*

1. Bringing the PTO into the Mainstream of Administrative Law

{24}Two important issues are whether the PTO shall be brought into the mainstream of Administrative Law in accordance with the federal common law of judicial review of agency action (94) or whether the PTO should be kept as a special preserve with ad hoc, nonstatutory, non-mainstream, and perhaps esoteric procedures of judicial review. In view of Dickinson v. Zurko, (95) the Federal Circuit may now require the PTO to meet the standards required of other agencies. (96) It is now possible for the Federal Circuit to draw on the same sources that the APA codifies, as Gechter did, or to re-invent the whole corpus of administrative law on a case-by-case basis. (97)

{25}For the PTO to follow the APA would mean that patent examiners (or at least the Board) would have to provide articulated reasons on the record for agency actions. (98) Unarticulated findings made on evidence not in the written record and perhaps found only in the mind of the examiner could no longer be supported. At the very least, the result would be to increase the rationality of claim interpretation and application of the prior art against claims. (99)

{26}How the examiner thinks a skilled person would understand particular words and phrases in a claim, after reading the specification, could no longer emerge for the first time after the written record has closed. This occurs when the applicant no longer has any opportunity to contradict such "facts" on the record with affidavits and citations to treatises, other references, or the specification. (100) Many unnecessary appeals to the PTO Board and to the Federal Circuit now occur because the agency's ground for rejection does not emerge, or at least is not clear to the applicant, until appellate briefing occurs. (101) Following the APA will mean that PTO records in the Federal Circuit will contain an explicit claim construction whenever that is needed to ascertain whether a reference identically discloses each element of a claimed combination.

2. Obviousness Supported by Substantial Evidence and Written Records Explained by Adequate Fact-Findings

{27}By the same token, when prior art is considered to disclose the equivalent of claimed subject matter, the

obviousness or interchangeability of each specific element for those skilled in the art will be stated in the record and supported by substantial evidence. If the "function-way-result test" (102) is used, the record will have findings on the "way" that are supported by substantial evidence. Uncritical resort to such formulas, as it is a mere matter of design choice to use element A instead of the reference's element B in the claimed combination, (103) unsupported by substantial evidence of record would lose its currency. Moreover, the PTO will be obliged to follow its own regulations. (104)

{28}If the PTO follows the APA pervasively, it will provide a written record, explained by adequate fact-findings on relevant issues. At the very least, at the Board level, the findings logically will support the PTO's conclusions as to whether the claimed subject matter is anticipated or obvious, whether the specification supports the claims, and whether the claims distinctly and particularly point out the invented subject matter. The PTO record no longer will leave the Federal Circuit to speculate why or how the agency reached the conclusions it reached, and its decision will be capable of informed judicial review. The PTO will issue patents of higher quality, which will more readily reach the "bankable" state that the Commissioner has long sought for them. To accord the PTO section 706 deference within its area of technological expertise will help pull the PTO in this direction, and it will form an integral package with the other components of the APA that decisions such as Gechter implicitly mandate. Adoption of section 706 standards of judicial review will help pry the PTO loose from parochiality and lever it into following administrative procedures that will justify the deference it seeks.

{29}That said, one must appreciate that section 706 does not set the PTO free to march to its own drumbeat. By its terms, section 706 reserves determination of questions of law to the reviewing court. That means that such ultimate legal questions as obviousness and claim interpretation would remain for the Federal Circuit to decide. The factual inquiries underpinning those legal conclusions, however, such as what a reference teaches a skilled person, whether the reference teaches toward or away from a claimed invention, what is the level of ordinary skill in the art, and what terms of art mean to skilled artisans, would be for the PTO. The quality of PTO factual inquiries, nonetheless, is dependent upon its making appropriately explicit findings and basing them on substantial evidence of record leading to the findings. (105) Moreover, no extraordinary deference to the PTO is required where it has no special expertise (for example, in non-technological matters). On the other hand, it may well be that, even in non-technological matters, non-extraordinary but routine agency deference would call for upholding the PTO's well-articulated findings on a conflicting evidentiary record if the challenged findings have substantial support in the record. Whether such routine agency deference exists may be the principal real difference between application of the substantial evidence and clearly erroneous tests in review of PTO proceedings.

IV. RECOMMENDATION

{30}Because the U.S. Supreme Court decided that the APA standards of judicial review apply to the Federal Circuit when it reviews findings of fact made by the PTO, the APA further should govern proceedings before the PTO for the examination of patent applications. Under the APA's judicial review standard, PTO findings of fact should be given the same deference as those of any other administrative agency. This will occur when the facts are articulated on the basis of a record containing substantial evidence supporting them and after a proceeding has been carried out in accordance with APA procedural requirements. In those instances where such findings involve a scientific or engineering matter as to which the PTO has special technological expertise, the findings should receive the same heightened deference that courts customarily give agency findings of that character. Orders of the PTO should be treated in the same way that reviewing courts treat orders of any other agency, and the PTO must be required to meet the same standards of Administrative Law that all other agencies are required to meet. Ultimately, requiring the PTO to follow the APA will lead to a superior administration of the patent laws and to an enhancement of the benefit to the public, flowing from the operation of our patent system.

V. CONCLUSION

{31}The APA needs to be applied to the PTO to ensure a more efficient and reliable appeals process between the PTO and the Federal Circuit. Successful application of the APA to the PTO will secure clear and accurate records of fact when patent applicants appeal from a decision of the Board of Patent Appeals and Interferences. Unsuccessful application of the APA to the PTO will guarantee that erroneous fact-based final decisions will become unreviewable on appeal to the Federal Circuit.

ENDNOTES

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Mr. Corcoran's other publications include *A Comparison of the Anticybersquatting Consumer Protection Act and The Uniform Domain-Name Dispute Resolution Policy of the Internet Corporation for Assigned Names and Numbers*, (Sep. 1, 2000) *at* http://www.markmonitor.com/articles/200008/002208_new.asp, and assisted with Lisa A. Dunner, *Cyber Tools - Are They Working?*, *in* Facing the Challenges of Globalization in this New Millennium 234 (Spring Meeting of the A.B.A. SECT. INT'L. & PRAC., Apr. 2000, Washington, D.C.).

[1]. The first patent act gave the Secretary of State, the Secretary of War, and the Attorney General the authority to examine and issue patents. *See* Act of April 10, 1790, ch. 7, § 1, 1 Stat. 109, 109-10. It was the Patent Act of 1836, however, that created the Patent Office and vested it with the authority to administer the patent system. *See* Act of July 4, 1836, ch. 357, § 1, 5 Stat. 117, 117-18.

[2]. *See* DONALD R. DUNNER, ET AL., COURT OF APPEALS FOR THE FEDERAL CIRCUIT: PRACTICE AND PROCEDURE § 1.01, at 1-2 (1996). The predecessor courts were the Court of Customs and Patent Appeals, and that court's predecessor, the Court of Appeals for the District of Columbia.

[3]. This standard is referred to as the "clearly erroneous" standard. *See* FED. R. CIV. P. 52(a) (stating that findings of fact, whether based on oral or documentary evidence, shall not be set aside unless clearly erroneous); *see also* CHARLES ALAN WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE § 2591 (2d ed. 1995) (explaining because Rule 52(a) is fully applicable to patent cases, findings of fact may be set aside only if they are clearly erroneous).

[4]. *See* Morgan v. Daniels, 153 U.S. 120, 129 (1894) ("It is enough to say that the testimony as a whole is not of a character or sufficient to produce clear conviction that the Patent Office made a mistake."); *see also* In re Alappat, 33 F.3d 1526, 1535 n.10 (Fed. Cir. 1994) (Rich, J.) ("The fact that we apply the clearly erroneous standard of review rather than the more restrictive substantial evidence standard usually applied to administrative boards illustrates the purely administrative nature of the Board.").

[5]. *See* Scope of Review, 5 U.S.C. § 706 (1994). The statute states:

To the extent necessary to decision and when presented, the reviewing court shall . . . (2) hold unlawful and set aside agency action, findings, and conclusions found to be-- (A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; (B) contrary to constitutional right, power, privilege, or immunity; (C) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right; (D) without observance of procedure required by law; (E) unsupported by substantial evidence in a case subject to sections 556 and 557 of this title or otherwise reviewed on the record of an agency hearing provided by statute; or (F) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court.

Id.

[6]. *See* Dickenson v. Zurko, 527 U.S. 150, 152 (1999) (holding that the Federal Circuit must use framework set forth in § 706 of APA, including "substantial evidence" or "arbitrary and capricious" standards, when reviewing PTO findings of fact).

[7]. *See* 5 U.S.C. § 706. Subsections (A) and (E) provide:

To the extent necessary to decision and when presented, the reviewing court shall . . . (2) hold unlawful and set aside agency action, findings, and conclusions found to be-- (A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; . . . (E) unsupported by substantial evidence in a case subject to sections 556 and 557 of this title or otherwise reviewed on the record of an agency hearing provided by statute.

Id.

[8]. *See id*.

[9]. *See* In re Ziegler, 992 F.2d 1197, 1200 (Fed. Cir. 1993) ("The first issue thus is whether the determination that Ziegler did not establish that the German application disclosed a practical utility for the polypropylene was clearly erroneous.").

[10]. *See, e.g.*, In re Paulsen, 30 F.3d 1475, 1478 (Fed. Cir. 1994) ("Anticipation is a question of fact subject to review under the 'clearly erroneous standard.'").

[11]. *See* DeGeorge v. Bernier, 768 F.2d 1318, 1324 (Fed. Cir. 1985) ("Best mode is a question of fact. Hence, our review of the board's best mode determination is under a clearly erroneous standard.") (citations omitted).

[12]. *See, e.g.*, Fiers v. Revel, 984 F.2d 1164, 1170 (Fed. Cir. 1993) ("Compliance with the written description requirement is a question of fact which we review for clear error.").

[13]. *See* Graham v. John Deere Co., 383 U.S. 1, 17 (1966) (explaining that factual determinations of obviousness include: (1) scope and content of the prior art; (2) differences between the prior art and claims at issue; (3) level of ordinary skill in pertinent art; and (4) "objective" indicia like commercial success and long felt need).

[14]. *See* MANUAL OF PATENT EXAMINING PROCEDURE ch. 900 (7th ed. 1998) ("Prior Art" refers to references and/or specific documents that are accessible in the public domain that teach one of ordinary skill how to make or use a claimed invention that is in a particular field of technology.).

[15]. *See* Specification, 35 U.S.C. § 112 (1994) (stating that at the end of the detailed description of an

invention in a patent application, at least one claim is required that particularly points out and distinctly claims the subject matter that a patent applicant regards as his invention or discovery).

[16]. *See* Administrative Procedure Act § 1, 5 U.S.C. §§ 551-559, 701-706, 3105, 3344, 6362, 7562 (1994) (defining administrative procedures, judicial review, employment authorities, attendance and leave, and adverse actions under APA).

[17]. *See* 5 U.S.C. § 706 (1994) (outlining the scope of review for courts to apply when reviewing administrative actions).

[18]. *See* Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc., 467 U.S. 837, 842-43 (1984). The court noted:

When a court reviews an agency's construction of a statute which it administers, it is confronted with two questions. First, is the question whether Congress has spoken directly to the precise the question at issue. If the intent of Congress is clear, that is the end of the matter. The court, as well as the agency, must give effect to the unambiguously expressed intent of Congress . . . if the statute is silent or ambiguous with respect to the specific issue, the question for court is whether the agency's answer is based on a permissible construction of the statute.

Id.

[19]. *See* 5 U.S.C. § 706 (1994) ("To the extent necessary . . . the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action.").

[20]. *See id*. ("The reviewing court shall . . . (2) hold unlawful and set aside agency action, findings, and conclusions found to be - (A) arbitrary, capricious, an abuse of discretion . . . (E) unsupported by substantial evidence . . . or (F) unwarranted by the facts . . . subject to trial de novo.").

[21]. *See id*. Recall that appellate courts review factual determinations in non-jury court trials under the "clearly erroneous" standard. *See* FED. R. CIV. P. 52(a) ("[F]indings of fact, whether based on oral or documentary evidence, shall not be set aside unless clearly erroneous."). The spectrum of the reviewing court's deference to the fact finder's determinations, from most to least deferential, is: (1) arbitrary and capricious; (2) substantial evidence; (3) clearly erroneous; and (4) de novo review. *See* Robert L. Stern, *Review of Findings of Administrators, Judges and Juries: A Comparative Analysis*, 58 HARV. L. REV. 70, 88 (1944) (describing congressional debates in which members argued for and against applying the "clearly erroneous" standard to agency review "precisely because it would give administrative findings less finality than they enjoyed under the 'substantial evidence' rule").

[22]. *See* Concrete Pipe & Prods. of Cal., Inc. v. Construction Laborers Pension Trust, 508 U.S. 602, 623 (1993) ("[R]eview under the clearly erroneous standard is significantly deferential . . . [but] application of a reasonableness standard is even more deferential."); Consolo v. Federal Maritime Comm'n, 383 U.S. 607, 619-20 (1966) ("We have defined 'substantial evidence' as 'such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.'"); Stern, *supra* note 21, at 88-89 ("Policy, authority and history all thus show that the 'clearly erroneous' rule gives the reviewing court broader powers than the 'substantial evidence' formula"). *See generally* KENNETH C. DAVIS & RICHARD J. PIERCE JR., ADMINISTRATIVE LAW TREATISE § 11.2, at 177 (3d. ed. 1994) (explaining the substantial evidence test).

[23]. *See* BERNARD SCHWARTZ, ADMINISTRATIVE LAW § 10.11 (2d ed. 1984) ("The test of review of a jury verdict is also usually stated in terms of substantial evidence. This leads to the conclusion that the scope of review of jury verdicts and of agency findings is the same."); Stern, *supra* note 21, at 76 (remarking that the

substantial evidence rule governing the review of administrative findings of fact is the same as that applied to a jury verdict); *see, e.g.*, NLRB v. Columbian Enameling & Stamping Co., 306 U.S. 292, 300 (1939) ("Substantial evidence is more than a scintilla . . . and it must be enough to justify, if the trial were to a jury, a refusal to direct a verdict when the conclusion sought to be drawn from it is one of fact for the jury.").

[24]. *See* American Paper Inst. v. American Elec. Power Serv. Corp., 461 U.S. 402, 412 n.7 (1983) (asserting the arbitrary and capricious test is "more lenient" than the substantial evidence test); Abbott Lab. v. Gardner, 387 U.S. 136, 143 (1967) (declaring the substantial evidence test provided "a considerably more generous judicial review than the 'arbitrary and capricious' test"). *See generally* Pacific States Box & Basket Co. v. White, 296 U.S. 176, 182 (1953) (measuring a state's regulation by the arbitrary and capricious standard (citing Borden's Farm Prods. Co. v. Baldwin, 293 U.S. 194 (1934))).

[25]. *See* Citizens to Preserve Overton Park, Inc. v. Volpe, 401 U.S. 402, 415 (1971) (using de novo review to determine if agency action is unwarranted by the facts is authorized when the action is adjudicatory in nature, when agency fact-finding procedures are inadequate, and when issues that were not before the agency are raised in a proceeding to enforce nonadjudicatory agency action (citing H.R. Rep. No. 79-1980)).

[26]. *See* Davis & Pierce, *supra* note 22, at § 11.2 (explaining the substantial evidence test).

[27]. *See Consolo*., 383 U.S. at 620-21 (ruling that the statutory standard for review in the APA frees reviewing courts of time-consuming and difficult weighing of evidence, gives proper respect to expertise of administrative tribunal, and helps promote uniform application of statute).

[28]. *See* Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229 (1938) ("Substantial evidence is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.").

[29]. *See* Davis & Pierce, *supra* note 22, at § 11.4 (considering whether court's decision is based on consideration of relevant factors or whether there is a clear error in judgment); *see also Overton Park*, 401 U.S. at 416 (explaining that section 706(2)(A) requires finding that the choice made of agency was not "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. To make this finding the court must consider whether the decision was based on a consideration of the relevant factors and whether there has been a clear error of judgment.").

[30]. *Overton Park*, 401 U.S. at 416.

[31]. *See, e.g.*, Sullivan v. Everhart, 494 U.S. 83, 84 (1990). The court asserted:

The method of computing the netting period does not make the regulations arbitrary and capricious. The inevitable delay between the discovery that something is amiss and the formal 'initial determination' of error (which closes the netting period) is necessary to avoid spur-of-the-moment decisions . . . . Respondents' alternative regime of separate accounting would increase the administrative burden, and their alternative suggestion of delayed reimbursement of underpayments does not address the alleged delay problem.

Id.

[32]. *See* Appeal to the Board of Patent Appeals and Interferences, 35 U.S.C. § 134 (1994) ("An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Patent Appeals and Interferences, having once paid the fee for such appeal.").

[33]. *See id*. Note that the proceedings before the Board are purely paper proceedings. *See Briefs Are Filed In En Banc Case On Federal Circuit Standard of Review*, 55 BNA PAT. TRADEMARK & COPYRIGHT L. DAILY,

Nov. 17, 1997, at 33 (providing that although section 134 requires appeals be heard, the proceeding "is purely a paper proceeding").

[34]. *See* Decision by the Board of Patent Appeals and Interferences, 37 C.F.R. § 1.196(a) (1998) ("The Board of Patent Appeals and Interferences, in its decision, may affirm or reverse the decision of the examiner in whole or in part on the grounds and on the claims specified by the examiner or remand the application to the examiner for further consideration.").

[35]. *See* Appeal to Court of Appeals for the Federal Circuit, 35 U.S.C. § 141 (1994) ("An applicant dissatisfied with the decision in an appeal to the Board of Patent Appeals and Interferences under section 134 of this title may appeal the decision to the United States Court of Appeals for the Federal Circuit.").

[36]. *See* Civil Action to Obtain Patent, 35 U.S.C. § 145 (1994) ("An applicant dissatisfied with the decision of the Board of Patent Appeals and Interferences in an appeal under section 134 of this title may . . . have remedy by civil action against the Commissioner in the United States District Court for the District of Columbia.").

[37]. *See* 35 U.S.C. § 141 (1994) (explaining that direct appeals to the Federal Circuit preclude seeking remedies in federal district court).

[38]. *See* 5 U.S.C. § 706 (1994) (indicating "substantial evidence" standard is triggered by PTO "agency action").

[39]. An appellant first appeals to the United States District Court for the District of Columbia and then to the Federal Circuit. *See* 35 U.S.C. §§ 141, 145 (1994) (explaining the options for appeal of a decision of the Board of Patent Appeals and Interferences).

[40]. *See* Markman v. Westview Instruments, Inc., 517 U.S. 370, 390 (1996) (explaining that Federal Circuit was created by Congress to unify patent law and policy and that identical review standards promote consistency between our review of the patentability decisions of the board and the district courts); *see also* Gechter v. Davidson, 116 F.3d 1454, 1459 (Fed. Cir. 1997) ("From a practical, judicial policy standpoint . . . patentability (validity) issues such as anticipation, whether decided by the Board or by the district courts, should be viewed similarly" by the Federal Circuit.); In re Leuders, 111 F.3d 1569, 1577 (Fed. Cir. 1997). The court argued that in the context of a PTO reexamination initiated as a result of a district court proceeding:

[W]e might thereby be compelled to hold the same patent both valid and invalid over the same prior art simply because of the differing standards of review. Surely Congress's acceptance of the established practice intentionally avoided this result by entrusting us with review on a uniform basis of patent appeals, wherever they are from, in recognition of this court's judgment in this area of its special expertise.

Id. (quoting Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17, 39 (1997)).

[41]. *See* Harris A. Pitlick, *Judicial Review of Decisions of the Patent and Trademark Office in Patent Cases*, *in* A.L.I.-A.B.A. FUNDAMENTALS OF PAT. L. AND PRAC. 93, 97 (1994) (explaining that while 35 U.S.C. §§ 141, 145 respectively provide dissatisfied applicants with an option of either appealing directly to the Federal Circuit or filing a civil action in the U.S. District Court for the District of Columbia, most applicants, well over 90 percent of them, choose the direct appeal route to the Federal Circuit).

[42]. *See* Proceedings on Appeal, 35 U.S.C. § 143 (1994) ("With respect to an appeal described in section 142 of this title, the Commissioner shall transmit to the United States Court of Appeals for the Federal Circuit a certified list of the documents comprising the record in the Patent and Trademark Office.").

[43]. All that remains to convert the brief for the Board into a proper appellant's brief for the Federal Circuit is to revise the argument to address the specifics of the Board's decision. *See* Appellant's Brief, 37 C.F.R. § 1.192(c)(8) (1998) ("Argument. The contentions of appellant with respect to each of the issues presented for review in paragraph (c)(6) of this section, and the basis therefor, with citations of the authorities, statutes, and parts of the record relied on. Each issue should be treated under a separate heading.").

[44]. Even pro se litigants have prosecuted successful appeals to the Federal Circuit and the CCPA under section 141. *See, e.g.*, In re Benno, 768 F.2d 1340, 1346 (Fed. Cir. 1985); In re Pardo, 684 F.2d 912, 917 (C.C.P.A. 1982); In re Gaubert, 524 F.2d 1222, 1227 (C.C.P.A. 1975); In re Goodman, 476 F.2d 1365, 1369 (C.C.P.A. 1973).

[45]. *See* U.S. CONST. art. I, § 8, cl. 8 (1994) ("To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.").

[46]. *See, e.g*, In re Alappat, 33 F.3d 1526 (Fed. Cir. 1994). In *Alappat*, the Commissioner of Patents and Trademarks appointed five additional members (including himself, his deputy, and assistant) to supplement the original three-member panel to rehear the original panel's determination that a patent should issue after the original panel had reversed the examiner who requested reconsideration by an expanded panel. The expanded panel reversed the original panel on a 5-3 vote with the original panel members dissenting. On en banc review by the Federal Circuit, the court held that the Board members serve merely as "examiner-employees of the PTO" subject to the Commissioner's control, and thus this appointment of a "stacked" Board did not violate the statutory scheme. *Id*. at 1576 (Mayer, J., dissenting).

[47]. *See id*. at 1535 n.10 ("[P]rinciples respecting the independence of judges or other concepts associated with the judicial process are not necessarily applicable to Board members."). Board hearings are ex parte and generally held in confidence. *See* Confidential Status of Applications, 35 U.S.C. § 122 (1994) ("Applications for patents shall be kept in confidence by the [PTO] and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commissioner.").

[48]. *See* Interviews, 37 C.F.R. § 1.133 (1998) (defining interviews with examiners concerning applications and other matters pending before the PTO).

[49]. *See* Affidavits or Declarations After Appeal, 37 C.F.R. § 1.195 (1998) ("Affidavits, declarations, or exhibits submitted after the case has been appealed will not be admitted without a showing of good and sufficient reasons why they were not earlier presented.").

[50]. *See* 37 C.F.R. § 1.196(b) (1998) ("Should the Board of Patent Appeals and Interferences have knowledge of any grounds not involved in the appeal for rejecting any pending claim, it may include in the decision a statement to that effect with its reasons for so holding, which statement constitutes a new ground of rejection of the claim.").

[51]. *See* Adjudications, 5 U.S.C. § 554 (1994). The statute provides:

This section applies, according to the provisions thereof, in every case of adjudication required by statute to be determined on the record after opportunity for an agency hearing, except to the extent that there is involved -- (1) a matter subject to a subsequent trial of the law and the facts de novo in a court; (2) the selection or tenure of an employee, except a administrative law judge appointed under section 3105 of this title; (3) proceedings in which decisions rest solely on inspections, tests, or elections; (4) the conduct of military or foreign affairs functions; (5) cases in which an agency is acting as an agent for a court; or (6) the

certification of worker representatives.

Id.

[52]. In addition, judicially adopting a more deferential standard for review would frustrate legislative efforts to improve the patent and trademark system. For example, Congress recently has considered proposals to revise the procedures for PTO re-examination of issued patents. *See* 21st Century Patent System Improvement Act, H.R. 400, 105th Cong. §§ 501-505 (as received, read twice, and referred to the Senate Committee on the Judiciary April 24, 1997); Omnibus Patent Act of 1997, S. 507, 105th Cong. §§ 501-506 (as reported by Sen. Hatch for the Committee on the Judiciary May 23, 1997). To encourage those challenging the validity of issued patents to submit their challenges to the PTO, with its expertise in patent matters, rather than to the district courts, the proposals allow enhanced inter partes participation in re-examination. *See* H.R. 400, 105th Cong. §§ 503(d), 503(e), 504(c), 504(d) (1997) (to amend 35 U.S.C. §§ 305(b), 306(b), 306(c), 134(c), 141); S. 507, 105th Cong. §§ 503(d), 503(e), 504(b), 504(c) (1997) (to amend 35 U.S.C. §§ 134, 141, 305(b), 306(b), 306(c)). A key assumption of the proposals is that the judicial review available for reexamination decisions would be comparable to that available for district court decisions on validity issues. *See* S. 507, 105th Cong. §§ 503(d), 503(e), 504(b), 504(c) (1997).

[53]. *See* Act to Change the Title of the United States Court of Customs Appeals, ch. 488, § 1, 45 Stat. 1475 (1929) (70th Cong.).

[54]. *See* S. Rep. No. 97-275, at 6 (1981) (quoting Hon. Jon O. Newman), *reprinted in* 1982 U.S.C.C.A.N. 11, 16.

[55]. *See* Federal Courts Improvement Act of 1982, Pub. L. No. 97-164, 96 Stat. 25.

[56]. *See* S. Rep. No. 97-275, at 5 (1981), *reprinted in* 1982 U.S.C.C.A.N. 11, 15.

[57]. *See* 28 U.S.C. §§ 1292(c), 1295(a)(l), 1295(4)(A) (1994).

[58]. *See* 28 U.S.C. §§ 715(c), 715(d) (1994); S. Rep. No. 97-275, at 17 (1981), *reprinted in* 1982 U.S.C.C.A.N. 11, 12.

[59]. The review of most other agencies within its appellate jurisdiction does not present similar statutory silence as to the standard for review. *See, e.g.*, Judicial Review of Board Decisions and Enforcement, 2 U.S.C. § 1407(d)(3) (1994) (defining "substantial evidence" review of Congress' Board of Directors of the Office of Compliance); 5 U.S.C. §§ 7121, 7703(c)(3) (1994) (requiring "substantial evidence" review of MSPB or arbitrator); 15 U.S.C. §§ 3416(b), 3416(c) (1994) (outlining APA-standard review of certain emergency orders of FERC); Unfair Practices in Import Trade, 19 U.S.C. § 1337(c) (1994) (explaining APA-standard review of USITC); Judicial Review, 31 U.S.C. § 755(a)(3) (1994) (defining "substantial evidence" review of General Accounting Office Personnel Appeals Board); Judicial Review of Rules and Regulations, 38 U.S.C. § 502 (1994) (requiring APA-standard review of Secretary of Veterans Affairs); 41 U.S.C. §§ 607(g)(1)(A), 609(b) (1994) (explaining "substantial evidence" review of agency boards of contract appeals). Notably the only instance, other than review of the PTO, without an express statutory standard for review of fact-findings is in appeals from plant-variety-protection decisions of the Secretary of Agriculture that likely were intended to use the same standard as historically used for the PTO's patent decisions. *See* Appeals, 7 U.S.C. § 2461 (1994).

[60]. *See* Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17, 19-20 (1997) (leaving precise formulation of doctrine-of-equivalents test to Federal Circuit's "sound judgment in this area of its special expertise"); Dennison Mfg. Co. v. Panduit Corp., 475 U.S. 809, 811 (1986) (remanding to obtain "the Federal Circuit's informed opinion on the complex issue of the degree to which the obviousness determination is one

of fact"); *see also* United States v. Fausto, 484 U.S. 439, 464 n.11 (1988) (Stevens, J., dissenting) ("Because its jurisdiction is confined to a defined range of subjects, the Federal Circuit brings to the cases before it an unusual expertise that should not lightly be disregarded."); *cf*. Cardinal Chem. Co. v. Morton Int'l, Inc., 508 U.S. 83, 105 (1993) (Scalia, J., concurring in part) (noting experience of Federal Circuit judges in their specialized patent jurisdiction).

[61]. *See* Anderson v. City of Bessemer City, 470 U.S. 564, 574 (1985) ("Where there are two permissible views of the evidence, the fact finder's choice between them cannot be clearly erroneous.").

[62]. *See* 35 U.S.C. § 141 (1994).

[63]. *See* Berman v. Rondelle, 75 F.2d 845, 847 (C.C.P.A. 1935) ("[U]nder the well known rule this court will not reverse the decision of the Board under such circumstances, unless it is clearly erroneous"); *see, e.g*., In re Engelhardt, 40 F.2d 760, 764 (C.C.P.A. 1930) (determining, after considering the record, that the prior art did not disclose elements of the applicant's invention); Pengilly v. Copeland, 40 F.2d 995, 996 (C.C.P.A. 1930) ("It is the settled rule that this court will not reverse concurring findings of the Patent Office tribunals, except where the court can say the decisions are manifestly wrong. . . . This follows a long line of decisions of the Court of Appeals of the District of Columbia."). Regarding In re Batcher, 59 F.2d 461, 463 (C.C.P.A. 1932), the court noted:

[W]hen an appeal is taken to this court, the judges of which are not supposed to be, and do not profess to be, experts in the realm of mechanics, the burden rests upon the party appealing to make it clear that the findings of fact by such tribunals are manifestly wrong.

Id.

[64]. *See* Hubbard v. United States, 514 U.S. 695, 713 n.13 (1995) (asserting importance of "promoting stability and certainty in the law" through stare decisis even though the established precedent was that of the circuit courts, rather than the U.S. Supreme Court); *see also* Payne v. Tennessee, 501 U.S. 808, 827 (1991) ("Stare decisis is the preferred course because it promotes the evenhanded, predictable, and consistent development of legal principles, fosters reliance on judicial decisions, and contributes to the actual and perceived integrity of the judicial process.").

[65]. *See* Planned Parenthood v. Casey, 505 U.S. 833, 855 (1992), explaining that the four factors are: (1) where the rule of law "has been found unworkable;" (2) whether the rule could be removed without considerable prejudice to those who have relied on it; (3) whether the existing rule is "a doctrinal anachronism discounted by society;" and (4) whether the premises of the rule have changed to an extent that the rule is now "irrelevant or unjustifiable." *Id*.

[66]. *See* In re Brana, 51 F.3d 1560, 1568-69 (Fed. Cir. 1995) (holding that when mixed questions of law and fact are before the Court of Appeals on appeal from a decision of the PTO, whether Court of Appeals defers, and the extent to which it defers to the agency's decision, turns on the nature of the case and the nature of the judgment).

[67]. Square D Co. v. Niagara Frontier Tariff Bureau, Inc., 476 U.S. 409, 424 (1986); *see* Patterson v. McLean Credit Union, 491 U.S. 164, 172-73 (1989) (explaining stare decisis has "special force in the area of statutory interpretation" that does not involve constitutional interpretation, and "Congress remains free to alter what we have done.").

[68]. *See* Bowen v. Georgetown Univ. Hosp., 488 U.S. 204, 223 (1988) (Scalia, J., concurring) ("The issue here is . . . whether there is any good reason to doubt that the APA means what it says.").

[69]. *Accord* Webster v. Doe, 486 U.S. 592 (1988); *see* 5 U.S.C. § 701(a)(2) (1994) (excluding from APA review agency actions exclusively committed to agency discretion). *See generally* Heckler v. Chaney, 470 U.S. 821, 832 (1985) (discussing non-reviewability of enforcement determinations and whether Congress, in enacting the APA, intended "significantly [to] alter the common law of judicial review of agency action.").

[70]. *Cf*. Universal Elecs, Inc. v. United States, 112 F.3d 488, 493 (Fed. Cir. 1997). *But see* Effect of Subsequent Statute, 5 U.S.C. § 559 (1994) (describing that Congress is free to supersede the APA by express legislation, as section 12 of the original APA itself recognized). A rare instance of such supersession is contained in 28 U.S.C. §§ 2640(a), 2643(b) (1994) that provides for de novo review of Customs' decisions in the Court of International Trade.

[71]. *See* Marsh v. Oregon Natural Resources Council, 490 U.S. 360, 375-76 (1989); Dickson v. Secretary of Defense, 68 F.3d 1396, 1404 n.12 (D.C. Cir. 1995); Public Citizen, Inc. v FAA, 988 F.2d 186, 196 (D.C. Cir. 1993); *see also* Portland Audubon Soc'y v. Endangered Species Comm., 984 F.2d 1534, 1540 (9th Cir. 1993) ("It is of no consequence that the . . . [agency's] Act . . . fail[s] to mention the APA. The APA itself mandates that its provisions govern certain administrative proceedings.").

[72]. *See* 5 U.S.C. § 559 (1994) (stating that no statute enacted after APA can supersede or modify APA unless subsequent statute does so expressly).

[73]. *See* 5 U.S.C. §§ 551, 701 (1994) ("'agency action' includes the whole or a part of an agency rule, order, license, sanction, relief, or the equivalent or denial thereof, or failure to act;"). It is under the definition of "agency" that the APA automatically is triggered. S*ee* 5 U.S.C. § 551(1) ("'agency' means each authority of the Government of the United States, whether or not it is within or subject to review by another agency.").

[74]. *See* 5 U.S.C. § 551(11) ("'[R]elief' includes the whole or a part of an agency -- (A) grant of money, assistance, license, authority, exemption, exception, privilege, or remedy; (B) recognition of a claim, right, immunity, privilege, exemption, or exception; or (C) taking of other action on the application or petition of, and beneficial to, a person.").

[75]. *See id*. ("'relief' includes the whole or a part of an agency -- (A) grant of money, assistance, license, authority, exemption, exception, privilege, or remedy;").

[76]. *See id*. ("'relief' includes the whole or a part of an agency -- . . . (B) recognition of a claim, right, immunity, privilege, exemption, or exception;").

[77]. *Id*. ("'relief' includes the whole or a part of an agency -- . . . (C) taking of other action on the application or petition of, and beneficial to, a person.").

[78]. *See supra* Part II.A.1.

[79]. *See* Tariff Act of 1930, 19 U.S.C. § 1337(a)(1) (1994). The Act states:

Subject to paragraph (2), the following are unlawful, and when found by the Commission to exist shall be dealt with, in addition to any other provision of law, as provided in this section: . . . (B) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that -- (i) infringe a valid and enforceable United States patent or a valid and enforceable United States copyright registered under Title 17; or (ii) are made, produced, processed, or mined under, or by means of, a process covered by the claims of a valid and enforceable United States patent.

Id.

[80]. *See* Corning Glass Works v. ITC, 799 F.2d 1559, 1565 (Fed. Cir. 1986) (holding that APA section 706 review applies to ITC appeals).

[81]. *See, e.g.*, Texas Instruments Inc. v. Cypress Semiconductor Corp., 90 F.3d 1558, 1563 (Fed. Cir. 1996) (distinguishing separate standards of review for findings of fact (de novo) and for matters of law (substantial evidence)).

[82]. *See, e.g.*, Clayton Act, 15 U.S.C. §§ 12, 13, 18 (1994) (defining enforcement by private parties and Antitrust Division in district court, but by FTC administratively); Manipulative and Deceptive Devices, 15 U.S.C. § 78j(b) (1994) (asserting deceptive and unfair marketing of securities-SEC and district court); 20 U.S.C. §§ 1681-82 (1994) (covering sex discrimination); Liability, 42 U.S.C. § 9607 (1994) (reducing liability for anti-pollution measures).

[83]. *See* In re Zurko, 142 F.3d 1447, 1455-56 (Fed. Cir. 1998) (noting that both 1952 Patent Act and Act of October 15, 1962, amending 1952 Patent Act, did not suggest in any way that CCPA alter its standard of review "in light of or despite the APA").

[84]. *See, e.g.*, Daviess County Hosp. v. Bowen, 811 F.2d 338, 342-43 (7th Cir. 1987) (discussing Medicare reimbursement); American Broadcasting Cos. v. FCC, 663 F.2d 133, 138 (D.C. Cir. 1980) (applying APA § 706 to review of FCC tariff-related findings).

[85]. *See* 35 U.S.C. §§ 141-144 (1994) (defining requirements for appeals to Federal Circuit, including notice of appeals and proceedings and decisions on appeal).

[86]. *See, e.g.*, Ray v. Lehman, 55 F.3d 606, 608 (Fed. Cir. 1995) (applying APA § 706(2)(A) standard in reviewing PTO action under 35 U.S.C. § 41(b)); Morganroth v. Quigg, 885 F.2d 843, 845-46, 848 (Fed. Cir. 1989); Smith v. Mossinghoff, 671 F.2d 533, 538 n.5 (D.C. Cir. 1982).

[87]. *See* Dickinson v. Zurko, 527 U.S. 150, 171 (1999) (Rehnquist, C.J., dissenting) ("[T]he APA by its plain text was intended to bring some uniformity to judicial review of agencies by raising the minimum standards of review.").

[88]. *See* 5 U.S.C. § 551(1) (1994) ("'agency' means each authority of the Government of the United States, whether or not it is within or subject to review by another agency.").

[89]. *See* 5 U.S.C. § 706 (1994) ("To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action.").

[90]. *See* 5 U.S.C. § 559 (1994). The reviewing courts may impose a more searching standard because, according to section 559:

This subchapter, chapter 7, and sections . . . of this title that relate to administrative law judges, do not limit or repeal additional requirements [beyond minimum standards] imposed by statute or otherwise recognized by law [such as the more searching clearly erroneous standard recognized by the Federal Circuit when reviewing decisions of the PTO].

Id.

[91]. *See* 5 U.S.C. § 706 (1994) ("[The] reviewing court shall . . . set aside agency action . . . found to be arbitrary, capricious, unsupported by substantial evidence . . . ," but failing explicitly to state that when agency action passes scrutiny under section 706, it must not be set aside).

[92]. *See Association of Data Processing Serv. Orgs., Inc.*, 745 F.2d at 683, 685-86 (Scalia, J.) (pointing out that the different paragraphs of section 706 set out "cumulative" tests). If substantial-evidence did not apply, arbitrary-capricious would act as a catch-all to "take up the slack" and pick up administrative misconduct not covered by other paragraphs; and not admitting of the possibility that some further standard, not included in section 706, could also apply in addition to the catch-all. *Id.*

[93]. *See* Cousins v. Secretary, 880 F.2d 603, 606 (1st Cir. 1989) (en banc) (Breyer, J.) (deploring lack of "uniform . . . scope of judicial review" and holding that "[t]o allow actions for review of agency action once again to proliferate under a variety of names would threaten a return to pre-APA confusion." (citing S. Rep. No. 442, at 9-10 (1939))).

[94]. *See* Heckler v. Chaney, 470 U.S. 821, 832 (1985) ("[C]ourts generally will defer to an agency's construction of the statute it is charged with implementing, and to the procedures it adopts for implementing that statute."); Webster v. Doe, 486 U.S. 592, 608 (1988) (Scalia, J., dissenting) (defining the "common law" of "judicial review of agency action" as "a body of jurisprudence that had marked out, with more or less precision, certain issues and certain areas that were beyond the range of judicial review." (citing *Chaney*, 470 U.S. at 832)).

[95]. *See Zurko*, 527 U.S. at 157-58 (finding that APA's standards governing judicial review of findings of fact made by federal administrative agencies applies when Federal Circuit reviews findings of fact made by PTO).

[96]. *See* Gechter v. Davidson, 116 F.3d 1454, 1457 (Fed. Cir. 1997) (holding that exegesis of "review" in section 144 "implies inherent power" to require the PTO to articulate its grounds of decision).

[97]. *See id.* at 1459 (quoting Mullins v. DOE, 50 F.3d 990, 992 (Fed. Cir. 1995)).

[98]. *See* PTO Rule, 37 C.F.R. § 1.2 (1998) (requiring PTO business to be conducted in writing and Office actions to be based on the written record); *see also* Litton Sys., Inc. v. Whirlpool Corp., 728 F.2d 1423, 1439 (Fed. Cir. 1984) (finding that "the PTO requires all business before it be conducted, or at least documented, in writing.").

[99]. *See* 35 U.S.C. §§ 102, 103 (1994) (defining the conditions for patentability, including novelty, loss of right to patent, and non-obvious subject matter, that all patent examiners and Board must use to interpret claims and to apply prior art references against claims in a patent application).

[100]. *See Association of Data Processing Serv. Orgs., Inc.*, 745 F.2d at 683, 685-86 (Scalia, J.) (emphasizing that the distinctive addition of the APA's substantial-evidence test to the arbitrary-capricious test is the requirement that substantial evidence be found within the closed record made before the agency).

[101]. *See Gechter*, 116 F.3d at 1456-57; In re Bond, 910 F.2d 831, 833 (Fed. Cir. 1990) (structuring patent prosecution proceedings in accordance with the APA will decrease the number of unnecessary appeals).

[102]. *See* Sage Products, Inc. v. Devon Indus., Inc., 126 F.3d 1420, 1429 (Fed. Cir. 1997) (defining the "function-way-result test"). The "function-way-result test" is used by patent examiners during examination of patent applications, and by the courts during infringement suits, to determine whether an element of a claim in a patent application or a patent performs substantially the same "function," in substantially the same "way," to achieve substantially the same "result" as an element of a prior art reference. *Id.* If the function-way-result test is successful, the claim is anticipated under 35 U.S.C § 102 or is obvious under 35 U.S.C. § 103. *Id.*

[103]. *See* In re Chu, 66 F.3d 292, 298-99 (Fed. Cir. 1995). The court in *Chu* held that evidence was insufficient to support rejection of a patent for a fossil fuel boiler emission control device on grounds of

obviousness; applicant offered multiple reasons during prosecution why placement of catalyst within bag retainer was not merely matter of design choice, and was instead necessary to relieve stress of fabric filters experienced during pulse-jet cleaning. *Id*.

[104]. *See* Fort Stewart Schools v. FLRA, 495 U.S. 641, 654 (1990); EEOC v. Shell Oil Co., 466 U.S. 54, 67 (1984); United States v. Nixon, 418 U.S. 683, 695-96 (1974) (all illustrating the rule that an agency must abide by its own regulations).

[105]. *See* In re Kemps, 97 F.3d 1427, 1429 (Fed. Cir. 1996); Cooper v. Ford Motor Co., 748 F.2d 677, 679-80 (Fed. Cir. 1984).

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http://www.nsulaw.nova.edu/library/publications/bibliography/admindec.htm Nova Southeastern University's Law Library Biography Series, includes histories of courts; Court of Customs and Patent Appeals.

http://www.fedcir.gov/ U.S. Court of Appeals for the Federal Circuit official website; includes opinions, rules, procedures, calendar, and statistics.

http://www.usitc.gov/ U.S. International Trade Commission (ITC) website.
