

Article Abstract:

In a case that started out simply as a patent case, the authors argue that the federal courts have turned the law on its head by ignoring the rule of law and the role of precedent in decision-making.

The Rule of Law Under Attack by the Courts Themselves

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"To avoid an arbitrary discretion in the courts, it is indispensable that they should be bound down by strict rules and precedents which serve to define and point out their duty in every particular case that comes before them". Alexander Hamilton, *The Federalist* No. 78

Slowly, but surely, the fundamental nature of our common-law legal system is changing due to a judge-conceived, for-the-judges'-convenience, unreviewable practice of courts of appeal designating extremely important decisions as "non-precedential." In a manner of speaking, this practice has raised an alarm that, without constitutional authority, the appellate courts of the land have found a method for trumping the rule of law and replacing it with unreviewable whim, capriciousness or arbitrary power.

Circuit Judge Arnold of the U.S. Court of Appeals for the 8th Circuit recently condemned the practice, in constitutional terms, in a scholarly opinion as follows: We hold that the portion of Rule 28A(i) that declares that unpublished opinions are not precedent is unconstitutional under Article III, because it purports to confer on the federal courts a power that goes beyond the "judicial." Inherent in every judicial decision is a declaration and interpretation of a general principle or rule of law. *Marbury v. Madison*, 5 U.S. 137, 1 Cranch 137, 177-78, 2 L.Ed. 60 (1803). This declaration of law is authoritative to the extent necessary for the decision, and must be applied in subsequent cases to similarly situated parties. *James B. Beam Distilling Co. v. Georgia*, 501 U.S. 529, 544, 111 S.Ct. 2439, 115 L.Ed.2d 481 (1991); *Cohens v. Virginia*, 6 Wheat. 264, 399, 5 L.Ed. 257 (1821).

These principles, which form the doctrine of precedent, were well established and well regarded at the time this nation was founded. The framers of the Constitution considered these principles to derive from the nature of judicial power, and intended that they would limit the judicial power delegated to the courts by Article III of the Constitution. Accordingly, we conclude that 8th Circuit Rule 28A(i), insofar as it would allow us to avoid the precedential effect of our prior decisions, purports to expand the judicial power beyond the bounds of Article III, and is therefore unconstitutional.

See *Anastasoff v. United States*, 223 F.3d 898, 899-900 (8th Cir. 2000), vacated as moot on other grounds, 235 F.3d 1054, 1056 (8th Cir. 2000): As Solicitor General Theodore Olson has stated, "[W]hen courts decide things, they don't just disappear and become a hidden trove of law." Unfortunately, they may well become a hidden trash bin of questionable Decisions that would cause mischief and that even the judges who disagree with them do not want referenced in the future. In the case of *Southern Clay Products Inc. v. United Catalysts Inc.*, 43 Fed. App. 379 (Fed. Cir. 2002), an \$80 million judgment for willful patent infringement was reversed by two judges of a three-judge panel in the U.S. Court of Appeals for the Federal Circuit.

The dissenting chief judge of the Federal Circuit declared that the two-judge majority violated long-standing precedent (that includes a denial of trial by jury as guaranteed by the Seventh Amendment to the U.S. Constitution, Supreme Court and Federal Circuit precedent). The two judges' decision, on the facts, disagreed with the chief judge, the trial judge, the trial magistrate and the Patent Office examiner - all four presumptively reasonable humans who did not find "anticipation" of the patented invention by prior art - but the two-judge majority decided that the constitutional right to trial by jury of those "facts" would not be implemented.

The Supreme Court concluded 100 years ago that "anticipation is an issue of fact." *Busch v. Jones*, 184 U.S. 598 (1902). The Federal Circuit has faithfully followed that mandate, but not here. Chief Judge Haldane Robert Mayer, in dissent, stated: Besides failing to follow the letter of the law, the court oversteps its bounds by rendering the '842 patent invalid for anticipation on appeal. As we held in *Advanced Display*, "if incorporation by reference comes into play in an anticipation determination, the court's role is to determine what material in addition to the host document constitutes the single reference. The factfinder's role, in turn, is to determine whether that single reference describes the claimed invention." *Advanced Display Sys.*, 212 F.3d at 1283, 54 USPQ 2d at 1680. The District Court ruled that Clocker did not incorporate Cohn by reference, and therefore, the jury never considered the issue. Holding that Clocker incorporates Cohn by reference requires remand to the District Court for an anticipation determination by the factfinder. [Emphasis added.]

The dissenting chief judge also declared that the incorporation by reference ruling by the two-judge majority, also contrary to well-established precedent, would create havoc in the U.S. Patent Office ("plac[ing] an undue burden on examiners") thus making it impossible for patent owners to determine the value of their patents. Despite the foregoing issues of national importance, the panel stamped the lengthy decision as "non-precedential." Ordinarily, the seemingly transparent misapplication of the law of precedent would call for a rehearing en banc so that patent owners, patent lawyers and the U.S. Patent Office examiners could be re-anchored to the law of precedent. Not so with the Federal Circuit, however.

That circuit has additional self-proclaimed rules that, presumptively, bar the door to further review in that court of cases stamped "not citable as precedent." Federal Circuit

'Practice Note' Accompanying Federal Circuit Rule 35 Non-Precedential Opinions. A petition for rehearing, en banc is rarely appropriate if the appeal was the subject of a non-precedential opinion by the panel of judges that heard it. Relevant Statement in the Notice of Entry of Judgment by the Federal Circuit

Q: When is a suggestion for rehearing en banc appropriate?

A.: As a usual prerequisite, a merits panel of the court must have entered a precedential opinion in support of its judgment for a suggestion for rehearing en banc to be appropriate [emphasis added].

Surprisingly, Chief Judge Mayer, possibly because of his spirited and fundamental disagreement with the majority, voted to make the decision "non-precedential." One has to assume that he did so to protect the rule of law from the marked departure from precedent as so eloquently stated in his dissent. If this is so, then the Klaxon horn for the rule of law should be sounded. This "mark of Cain" designation thus decrees that similarly situated litigants shall be treated differently. That, too, is contrary to fundamental equal protection principles: "When an appeal is afforded, however, it cannot be granted to some litigants and capriciously or arbitrarily denied to others without violating the Equal Protection Clause." *Lindsey v. Normet*, 405 U.S. 56 (1972). The *Southern Clay* decision highlights the rule-of-law forgetfulness of the various courts of appeal. The designation assures that:

- * The case could not readily be reviewed by the rest of the Federal Circuit judges;
- * The glaring denial of a constitutional right to trial by jury would be buried;
- * It would be impossible for others to rely upon the case and its (mis)application of the law for any purpose whatsoever in future judicial proceedings;
- * The dissenting chief judge's challenge to the propriety of the ruling and the confusion it would create for the Patent Office and patent owners would be lost in the wastebasket of non-existent decisions;
- * Litigants may come to believe that "not citable as precedent" may more appropriately read "does not follow precedent"; and
- * Future litigants continue to face non-reviewable violations of their constitutional rights.

Circuit Judge Morris S. Arnold of the 8th Circuit has confronted the constitutional issues of this questionable practice head on. Even before our Constitution, however, all lawyers, including those offered the opportunity to serve the people as judges, are reminded of the common-law origins of why free people commit themselves to the rule of law:

* Magna Carta

* [H]ere is a law which is above the King and which even he must not break. This reaffirmation of a supreme law and its expression in a general charter is the great work of Magna Carta; and this alone justifies the respect in which men have held it.

Winston Churchill, 1956 Simply stated: Our democracy is lost if the courts feel they are above or outside the rule of law. The courts have no right to convert our common law into a civil law system.