

# THE COALITION FOR 21ST CENTURY PATENT REFORM

*Protecting Innovation to Enhance American Competitiveness*

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## **Interlocutory Appeals**

**Current Law** – since the Supreme Court ruling in *Markman v. Westview Instruments, Inc.*, claim construction has been an issue of law for the courts. Despite the legal nature of a claim construction, the Court of Appeals for the Federal Circuit has refused to consider appeals under 28 U.S.C. § 1292(b) of interlocutory claim constructions resulting from a pretrial claim construction hearing (a so-called Markman hearing)

**S. 1145/H.R. 1908** – would amend section 1292 of title 28, United States Code, to allow “an appeal from an interlocutory order or decree determining construction of claims in a civil action for patent infringement under section 271 of title 35. Proceedings in the district court would be stayed during pendency of the appeal.

**Coalition Position** – permitting such appeals would delay the resolution of patent cases – an outcome that most stakeholders oppose. It agrees with the Court of Appeals for the Federal Circuit that such a change would invite piecemeal litigation that is as “strictly precluded by the rule of finality for patent cases as it is for any other case.” The Coalition believes that the case has not been made for Congress to include changes regarding interlocutory appeals in legislation.

**Public Policy Rationale** – changing the rules to permit patent litigants to appeal interlocutory claim construction rulings as a matter of right would be unwise judicial policy. The Coalition agrees with the concerns raised by the IPL Section of the ABA. Allowing such appeal would be contrary to the Supreme Court’s “general rule” that “a party is entitled to a single appeal, to be deferred until final judgment has been entered, in which claims of district court error at any stage of the litigation may be ventilated.” The issue of claim construction plays a significant role in just about every infringement and validity dispute. Permitting parties to appeal all interlocutory claim construction rulings would result in a great increase in the number of appeals filed, necessarily increasing the time to dispose of all appeals. In the long run, permitting interlocutory appeals of claim construction as a matter of right would increase significantly the time to resolve a patent dispute by adding the length of time for a claim-construction appeal in practically every case. In addition, the claim construction process would become one where the district court takes a first “crack” at the construction, and the dissatisfied party would appeal to the Federal Circuit in hopes of getting a more favorable construction that would apply as law of the case on remand. It would force the Federal Circuit to consider claim construction issues on records that are not as fully developed as they would be after a trial on the merits. There are too many questions surrounding this proposal to adopt it at this time, if at all.