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Note

NOW WHAT? A LOOK AT WHAT REMAINS FOR PATENT INFRINGEMENT

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**I. Introduction**

The Patent Remedy Act of 1992 amended the patent laws to effectuate the equality of all patent owners, regardless of their public or private status.<sup>1</sup> The Act provided a consistent way for the U.S. judicial system to deal with valuable property.<sup>2</sup> However, in 1999, Congress' efforts were made futile by the Supreme Court's ruling in *Florida Prepaid Postsecondary Education Expense Board v. \*66 College Savings Bank*.<sup>3</sup> This decision is part of a broader pattern of cases related to the role of states and Federalism.<sup>4</sup>

Although Congress has given patent owners the right to bring an action for infringement,<sup>5</sup> it is increasingly becoming difficult for patent owners to do so, and thus to maintain a solid interest and hold on their valued property.<sup>6</sup> This difficulty is manifested in the U.S. Supreme Court decision in *Florida Prepaid*, which struck down another congressional attempt to abrogate states' immunity from answering to patent infringement claims in federal court.<sup>7</sup>

In recent years, the number of patents issued to states and their instrumentalities evinces that patent use is pervasive in protecting valued state property.<sup>8</sup> An increase in patents logically creates the potential for an increase in infringement claims. If an individual patent holder falls victim to state infringement, relief is limited to state court,<sup>9</sup> leaving to the victim the

availability of inadequate, or possibly non-existent, remedies.<sup>10</sup> Owners of patents cannot bring claims in federal court against states because states are considered sovereign entities, thus immune from such suits under the U.S. Supreme Court's decision in *Florida Prepaid*.<sup>11</sup>

In response to the lack of uniformity in adjudicating infringement claims, Congress enacted the Patent and Plant Variety Protection Remedy Clarification Act.<sup>12</sup> This 1992 Act abrogated states<sup>13</sup> sovereign immunity from patent \*67 infringement claims in federal court, essentially stripping the states of their Eleventh Amendment<sup>14</sup> immunity.<sup>15</sup> However, in *Florida Prepaid*, the Act was scrutinized and found unconstitutional by the U.S. Supreme Court.<sup>16</sup>

The issue in *Florida Prepaid* involves whether Congress may abrogate states' immunity from suits in federal court pursuant to Section Five of the Fourteenth Amendment.<sup>17</sup> The focus of this Casenote expands this issue by considering the future of patent infringement claims.<sup>18</sup> Because states are no longer forced to take responsibility for their patent infringement actions, patentees looking to sue for infringement will be left with little to no relief.<sup>19</sup>

The issue of abrogating states' immunity has been addressed in federal courts.<sup>20</sup> However, until now, the U.S. Supreme Court had never directly held unconstitutional a congressional act abrogating states' immunity pursuant to Section Five of the Fourteenth Amendment.<sup>21</sup> *Florida Prepaid* was the first case to invalidate such an Act.

This Casenote examines the *Florida Prepaid* case and the impact this decision will have on future patent infringement claims. Part II of this Casenote discusses the background of *Florida Prepaid*, specifically what the Court considered in \*68 determining the validity of a congressional act abrogating states' immunity. It further addresses the federal law that stood prior to *Florida Prepaid*. Part III examines the facts and procedural history. Part IV discusses the majority and dissenting opinions of *Florida Prepaid*.

The analysis of the *Florida Prepaid* decision with the central focus directed at the future, if any, of patent infringement claims, comprises Part V of this Casenote. In achieving this end, Part V addresses generally the effects, if any, on Eleventh Amendment and Federalism<sup>22</sup> interpretations. The analysis in Part V further addresses the detrimental effects this decision will have on present and future intellectual property owners. The Casenote specifically addresses four major concerns dealing with practicality and real-world effects. I will attempt to reveal the problems that attach to a decision of this caliber surrounding the application of such a rule.

Part VI of this Casenote addresses state court remedies available to patent holders looking to initiate proceedings against a state for a patent infringement claim. Since *Florida Prepaid* no longer allows these suits in federal court, the only relief potentially available is in state court. This section addresses the inequities surrounding this issue.

## II. Background

The Eleventh Amendment has a lengthy history. The movement for its ratification was sparked in 1793 when the Court in *Chisholm v. Georgia*<sup>23</sup> allowed a State to be sued by a non-citizen of that State.<sup>24</sup> Due to the heavy dissension surrounding the *Chisholm* decision, the Eleventh Amendment was eagerly proposed in 1794 and subsequently ratified in 1798.<sup>25</sup>

Over the past two centuries, the Eleventh Amendment has endured numerous interpretations by federal courts. The past proves, as does the present, that the Court still fails to reach a true consensus as to what the Amendment grants and what it prohibits.<sup>26</sup>

In 1890, the Court in *Hans v. Louisiana*<sup>27</sup> unanimously held that citizens of a state could not bring a suit involving a question of federal law against that state in \*69 federal court unless that state consented to it.<sup>28</sup> The Court exercised its implicit constitutional authority without relying on the express terms of the Eleventh Amendment.<sup>29</sup> The interpretations of the Eleventh Amendment would become even more expansive in the future.<sup>30</sup>

In 1976, the U.S. Supreme Court found itself once again interpreting the Eleventh Amendment, this time dealing with the issue of congressional abrogation of states' immunity. In *Fitzpatrick*,<sup>31</sup> the Court for the first time recognized Congress' power under Section Five of the Fourteenth Amendment to abrogate states' immunity when enforcing substantive provisions of the Fourteenth Amendment.<sup>32</sup> The Court concluded that this power allowed Congress to provide for private suits against states, where generally this would be constitutionally impermissible.<sup>33</sup>

In 1985, the Court dramatically narrowed its interpretation of Eleventh Amendment immunity. In *Atascadero State Hospital v. Scanlon*,<sup>34</sup> the Court held that Congress must make its intent to abrogate states' immunity "unmistakably clear" in the language of the statute.<sup>35</sup>

Thirteen years after *Fitzpatrick*, the court narrowly interpreted the Eleventh Amendment again. In *Pennsylvania v. Union Gas Co.*,<sup>36</sup> the Court permitted Congress to abrogate state immunity pursuant to its Article I Commerce Clause power.<sup>37</sup> The plurality held that Congress had satisfied the requirement of clear intent to abrogate established in *Atascadero*.<sup>38</sup>

In 1990 in *Chew v. California*<sup>39</sup>, the United States Court of Appeals for the Federal Circuit applied the standard stated in *Atascadero*.<sup>40</sup> The Federal Circuit \*70 held that the term "whoever" in the federal patent statutes failed to satisfy the requirement of unequivocal intent to abrogate state immunity.<sup>41</sup> The response to this decision was the Patent Remedy Act.<sup>42</sup>

The revival of the Eleventh Amendment's strength occurred in 1996 when the Court decided *Seminole Tribe of Florida v. Florida*.<sup>43</sup> In a five to four decision, the court explicitly overruled its decision in *Pennsylvania v. Union Gas Co.*, holding that Congress lacked the power to abrogate state immunity under the Commerce Clause.<sup>44</sup> Thus, unless a state consented to suit in federal court, it could claim immunity and avoid a lawsuit and any resulting liability.<sup>45</sup> The Court did, however, reaffirm its holding in *Fitzpatrick*.<sup>46</sup> Thus, Congress retained the authority to abrogate states' immunity under Section Five of the Fourteenth Amendment.

Additionally, the Court in *Seminole Tribe* reaffirmed two predicate questions necessary to abrogate states' immunity. In order to determine whether Congress has abrogated states' immunity, the Court must ask if Congress' intent was clear in the statute, and also if Congress acted under a valid authority.<sup>47</sup>

In response to the holding in *Chew* and the standard established in *Atascadero*, Congress enacted the Patent Remedy Act to clarify what it meant by "whoever" in the federal patent statutes in order to explicitly subject states to suits in federal court.<sup>48</sup> The legislation thus included "[a]ny State, any instrumentality of a State, and any officer or employee of a State acting in his official capacity."<sup>49</sup> Congress stripped these entities of their Eleventh Amendment immunity from all patent claims in federal court.<sup>50</sup> Congress believed that it had the authority to protect patent owners because of its exclusive power over patents enumerated in Article I.<sup>51</sup>

### III. Facts and Procedural History of *Florida Prepaid v. College Savings*<sup>52</sup>

The plaintiff, College Savings Bank, is a chartered savings bank located in Princeton, New Jersey.<sup>53</sup> Since 1987, College Savings Bank marketed and sold \*71 certificates of deposit known as the CollegeSure CD.<sup>54</sup> Essentially, these CDs were annuity contracts for financing future college expenses.<sup>55</sup> College Savings obtained a patent for its financing methodology.<sup>56</sup>

The defendant, Florida Prepaid Postsecondary Education Expenses Board, is an entity created by the State of Florida.<sup>57</sup> Florida Prepaid, like College Savings, agreed to provide a return for money invested that is guaranteed to be adequate to fund future college expenses.<sup>58</sup> This program was available to Florida residents and their children.<sup>59</sup>

College Savings initiated this suit claiming that Florida Prepaid directly and indirectly infringed the patent obtained by College Savings.<sup>60</sup> College Savings brought the suit in the United States District Court for the District of New Jersey in 1994, alleging that under the Patent Remedy Act, Florida Prepaid had been and still was willfully infringing the patent obtained by College Savings Bank.<sup>61</sup> College Savings sought declaratory and injunctive relief, in addition to damages, attorney's fees, and costs.<sup>62</sup>

Florida Prepaid moved to dismiss the claim on the grounds of state sovereign immunity.<sup>63</sup> In response to Florida Prepaid's argument that the Patent Remedy Act was an invalid attempt by Congress to abrogate states' immunity, the United States intervened to argue for the constitutionality of the statute.<sup>64</sup> In 1996, the district court, in denying Florida Prepaid's motion to dismiss, found that Congress validly abrogated states' immunity in patent infringement claims.<sup>65</sup>

\*72 In 1998, the United States Court of Appeals for the Federal Circuit affirmed the decision of the district court.<sup>66</sup> The Supreme Court reversed the decisions of the two lower courts, striking down the legislation.<sup>67</sup>

## IV. The Majority and Dissenting U.S. Supreme Court Opinions

### 1. The Majority Opinion of *Florida Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*<sup>68</sup>

After laying the background fundamentals, the majority decision, interestingly, began with a reiteration of the Eleventh Amendment. In doing so, the Court foreshadowed its conclusions concerning states' guaranteed immunity. The Court's recent decision in *Seminole Tribe* reaffirmed its 1890 holding in *Hans v. Louisiana*. The Court described the Eleventh Amendment as standing for not only what it explicitly says, but also the two-part presupposition that the amendment confirms.<sup>69</sup>

The two-part presupposition, described over a century ago in *Hans*, was that first, each state is a sovereign entity in the federal system, and, second, it is inherent in the nature of sovereignty that a state is not to be amenable to a suit of an individual without its consent.<sup>70</sup> Since 1890, the Court has ruled in many cases that the Eleventh Amendment and the concept of Federalism are far too authoritative to disregard.<sup>71</sup> In deciding *Florida Prepaid*, the Court did not stray from this philosophy.

Based on the line of cases leading up to the *Florida Prepaid* decision, the Court had a constitutional duty to answer two questions in order to determine whether Congress constitutionally abrogated the states' immunity in enacting the Patent Remedy Act. The first question the Court asked was whether Congress "has unequivocally expresse[d] its intent to abrogate the immunity."<sup>72</sup> The majority conceded that the Federal Circuit correctly concluded that Congress' intent to abrogate was as clear as it could be.<sup>73</sup> The second question the Court asked was \*73 whether Congress had acted "pursuant to a valid exercise of power."<sup>74</sup> This question is where the majority rejected the holdings of the lower federal courts.<sup>75</sup>

The majority described Congress' justification for its enactment of the Patent Remedy Act.<sup>76</sup> The Patent Clause, the Interstate Commerce Clause, and Section Five of the Fourteenth Amendment were the three sources of constitutional authority relied upon by Congress.<sup>77</sup> Because the Court in *Seminole Tribe* had ruled that Congress may not abrogate state sovereign immunity pursuant to its Article I powers, the Patent Remedy Act could not be sustained under either the Patent Clause or the Commerce Clause.<sup>78</sup>

The only available constitutional authority under which Congress could act was Section Five of the Fourteenth Amendment.<sup>79</sup> The majority stated that the Court's opinion in *Seminole Tribe* reaffirmed its holding in *Fitzpatrick v. Bitzer*.<sup>80</sup> The Court in *Fitzpatrick* had held that the Eleventh Amendment and the state sovereignty principle embodied in *Hans* may be limited by Section Five of the Fourteenth Amendment.<sup>81</sup> The Court granted Congress express authority to enforce "by appropriate legislation" the substantive provisions of Section Five of the Fourteenth Amendment.<sup>82</sup>

Although ultimately the majority ruled counter to the holding in *Fitzpatrick* because the Court found that Congress failed to satisfy the required tests in order to abrogate under Section Five of the Fourteenth Amendment, nowhere in the *Florida Prepaid* decision does the court overrule that 1976 decision.<sup>83</sup>

In 1997, the Supreme Court decided *City of Boerne v. Flores*.<sup>84</sup> In that decision, the Court developed a test in order to determine what is "appropriate \*74 legislation," as required by the Fourteenth Amendment.<sup>85</sup> The Court found that Congress exceeded its authority under Section Five in enacting the 1993 Religious Freedom Restoration Act (RFRA),<sup>86</sup> insofar as it applied to the states.<sup>87</sup>

The RFRA attempted to reinstate the compelling governmental interest test.<sup>88</sup> This required that any law placing substantial burdens on the free exercise of religion must be justified by a compelling governmental interest employing the least restrictive means to attain the desired end.<sup>89</sup>

The Court characterized Congress' enforcement power as "remedial" in nature.<sup>90</sup> The majority opinion stated that Congress had been given the power to enforce, not the power to determine what constitutes a constitutional violation.<sup>91</sup> The Court concluded that a distinction exists between measures that remedy or prevent unconstitutional actions and measures that make substantive changes in the governing law.<sup>92</sup> Although Congress is granted wide latitude in determining where this distinction lies, it must be acknowledged and adhered to.<sup>93</sup>

The standard that emerged requires a "congruence and proportionality between the injury to be prevented or remedied and the

means adopted to that end.”<sup>94</sup> Thus, Congress successfully invokes Section Five when the legislation identifies conduct that transgresses the Fourteenth Amendment’s substantive provisions and specifies a scheme to remedy or prevent such conduct.<sup>95</sup>

The Court held that in enacting the RFRA, Congress went beyond its granted power under Section Five.<sup>96</sup> The Court concluded that the 1993 Act was “so out of proportion to a supposed remedial or preventive object that it cannot be understood as responsive to, or designed to prevent, unconstitutional behavior.”<sup>97</sup>

The Court in *Florida Prepaid* applied the *City of Boerne* standard to the Patent Remedy Act.<sup>98</sup> The majority first endeavored to identify the Fourteenth \*75 Amendment wrongs, if any, that Congress intended to rectify through the legislation.<sup>99</sup> At issue in *Florida Prepaid* was state infringement of patents and state reliance on sovereign immunity to escape liability in compensating such infringements.<sup>100</sup> Congress found that patent owners were effectively denied any remedy for damages resulting from patent infringement by a state.<sup>101</sup> It was this conduct- unremedied patent infringement by states - that the Court had to find violative of the Fourteenth Amendment in order to sustain the legislation.<sup>102</sup>

The majority opinion concluded that, in enacting the Patent Remedy Act, Congress failed to identify any trend of patent infringement by the states, or of constitutional violations, justifying such legislation.<sup>103</sup> The Court found little evidence in the Congressional record of state patent infringement.<sup>104</sup> The Court recognized that the House Report provided only two examples of patent infringement suits against the states and acknowledged that, for the most part, states will comply with patent laws.<sup>105</sup> Furthermore, the Federal Circuit’s opinion in *College Savings v. Florida Prepaid* found that, in 110 years between 1880 and 1990, only eight patent infringement suits were prosecuted against states.<sup>106</sup>

The testimony before the House Subcommittee in favor of the legislation conceded that states generally respect patent rights.<sup>107</sup> Although states are occasionally sued for patent infringement,<sup>108</sup> the House record did not evince any “massive or widespread violation[s] of patent laws by the States either with or without this State immunity.”<sup>109</sup> This evidence was corroborated by the Senate Report, which found no national problem of unremedied patent infringement by \*76 states.<sup>110</sup> The Court concluded that, at most, the testimony before Congress evidenced that patent infringement by states might increase in the future, and in passing this Act, Congress would prevent any speculative harm.<sup>111</sup>

*College Savings* argued that because patents have long been considered property,<sup>112</sup> *Florida Prepaid*’s claim of immunity infringes *College Savings*’ patent and deprives the patentee of property without due process of law as guaranteed by the Fourteenth Amendment.<sup>113</sup> *College Savings* contended that Congress may not legislate pursuant to section five in order to protect property interests that it created under its Article I powers.<sup>114</sup> The Court responded to this by holding that since the Due Process Clause protects patents, Congress may legislate against their deprivation without due process pursuant to section five of the Fourteenth Amendment.<sup>115</sup>

Although the majority reaffirmed that patents are property, the Court asserted the scant support in the congressional record setting forth evidence of constitutional violations that it sought to remedy when enacting the Patent Remedy Act.<sup>116</sup> It is not by itself constitutionally violative for a patent owner to be a victim of state infringement.<sup>117</sup> The violation occurs where the state provides no remedy, or only inadequate remedies, to victims of patent infringements.<sup>118</sup> In this situation, a section five deprivation without due process results.<sup>119</sup>

Because the record reflected little consideration by Congress of the general availability of state remedies for patent infringements, the testimony did not amount to a constitutional violation under the Fourteenth Amendment.<sup>120</sup> The Court found that, rather than a discussion of nonexistent or inadequate state remedies, Congress’ discussion mainly concerned the fact that state remedies are much less convenient than federal remedies.<sup>121</sup> Congress focused on this \*77 inconvenience as though it may attack the uniformity of patent law.<sup>122</sup> Although uniformity in law in general and in patent law is absolutely important, under these circumstances the Court held that the need for uniformity is appropriately placed in the “Article I patent-power calculus,”<sup>123</sup> and not in determining whether a state immunity plea deprives a patent holder of property without due process of law.<sup>124</sup>

The majority went on to clarify that negligent acts by states causing unintended injury to one’s property do not “deprive” him of property within the meaning of the Due Process Clause.<sup>125</sup> Furthermore, lawsuits predicated on direct patent infringement do not require a showing of intent to infringe.<sup>126</sup> The element of intent is only relevant when considering the measure of damages.<sup>127</sup> Congress’ evidence did not focus on claims of intentional or reckless state infringement; instead, it revealed that most state infringement was, at worst, innocent or negligent.<sup>128</sup>

The Court concluded, once again, that the legislative record failed to satisfy the requirement established in *Boerne*.<sup>129</sup> The Patent Remedy Act was found not to be responsive to a history of persistent constitutional violations or deprivations of property that would justify legislation based on the authority in section five of the Fourteenth Amendment.<sup>130</sup>

Though the scant support outlined in the legislative record was not relied upon as determinative, nevertheless the majority opinion recognized the critical importance of identifying constitutional wrongs.<sup>131</sup> Here, Congress did not, or could not, show such wrongs.<sup>132</sup>

The majority criticized Congress' failure to include limitations in its legislation, rather than subject states to expansive liability.<sup>133</sup> The Court implied that a more responsive enactment, for example subjecting states to suits involving \*78 only arguable constitutional violations, would have been a step closer to satisfying the *Boerne* standard.<sup>134</sup> However, it is difficult to identify patented products that a state uses that would constitute an infringement.<sup>135</sup>

The Court offered various suggestions as to what appropriate legislation might include.<sup>136</sup> First, Congress could have limited its power to abrogate states' immunity from suits to situations in which state courts offered no remedies to victims of patent infringement.<sup>137</sup> Second, Congress could have limited suits to specific types of infringement, for instance infringement that is intentional or authorized pursuant to state policy.<sup>138</sup> Third, Congress could have limited suits to those against states that offer inadequate remedies or have a history of infringement.<sup>139</sup>

The Court further relied on the principle that where "a congressional enactment pervasively prohibits constitutional state action in an effort to remedy or to prevent unconstitutional state action, limitations of this kind tend to ensure Congress' means are proportionate to ends legitimate under section five."<sup>140</sup> The Court held that because of the Patent Remedy Act's indiscriminatory approach to abrogating states' immunity, the Act completely offends this principle.<sup>141</sup>

The majority held that the Patent Remedy Act could not be sustained under section five of the Fourteenth Amendment.<sup>142</sup> Not only are the examples scarce of states avoiding liability in federal suits by pleading immunity, but also rare is states depriving patent owners of their property without a state remedy.<sup>143</sup> The Court found that the underlying aim of the Patent Remedy Act, to provide uniformity in patent infringement claims, was a proper Article I concern.<sup>144</sup> However, Congress, after *Seminole Tribe*,<sup>145</sup> may no longer enact such legislation pursuant to Article I.<sup>146</sup>

## \*79 2. The Dissenting Opinion of *Florida Prepaid*<sup>147</sup>

The dissent began by reiterating Congress' constitutionally vested plenary authority over patents and copyrights.<sup>148</sup> Further, Congress has provided for federal courts to have exclusive jurisdiction over patent infringement claims.<sup>149</sup> Thus, Congress enacted the 1992 Patent Remedy Act, which the dissent argued should have been sustained as proper under section five of the Fourteenth Amendment.<sup>150</sup>

The persistent aim of the dissent was to emphasize national uniformity, calling it the principle that "undergirds all aspects of our patent system."<sup>151</sup> The dissent argued that it is most beneficial for all involved parties to vest exclusive jurisdiction over patent infringement claims in federal courts.<sup>152</sup> Federal jurisdiction over all patent claims would provide the greatest uniformity because all of the substantive rules of law that apply in patent infringement suits are federal.<sup>153</sup> The dissent argued that the national government has a strong interest in exclusively adjudicating and interpreting the applicable federal statutes.<sup>154</sup> It identified other federal interests, such as the desire to advance and encourage useful technology and to avoid inadequate protection and overprotection of patents.<sup>155</sup>

The dissent pointed out what it thought to be a significant discrepancy.<sup>156</sup> It explained that the majority acknowledged "the need for uniformity in the construction of patent law," but then ignored it, characterizing uniformity as a factor belonging to the Article I patent-power calculus.<sup>157</sup> But the dissent stated that the "Article I patent-power calculus" was directly relevant in this case in that it establishes the constitutionality of Congress' decision to vest exclusive jurisdiction in the federal courts over patent infringement claims.<sup>158</sup> The dissent argued that it was important and appropriate for the majority to close the potential loophole in \*80 the uniform federal system by abrogating states' immunity from patent infringement cases.<sup>159</sup>

The dissent next discussed the test derived from the *Boerne* case.<sup>160</sup> The dissent concludes that Congress effectively addressed an injury to be remedied or prevented and thus properly exercised its power under section five in enacting the Patent Remedy Act.<sup>161</sup>

The dissent found problematic the distinction that the majority drew between intentional and negligent misconduct.<sup>162</sup> The majority had held that mere negligence does not “deprive” anyone of property within the meaning of the Due Process Clause.<sup>163</sup> However, the majority found that intentional misconduct may constitute such a deprivation.<sup>164</sup> The dissent stated that because College Savings alleged that Florida Prepaid’s conduct was willful, the issue presented in this case ought to have been whether the patent Remedy Act is applicable to willful infringement.<sup>165</sup>

However, in answering the question posed by the majority, the dissent found exactly what the majority did not.<sup>166</sup> The dissent characterized the evidence that the majority relied upon in making its decision as “perceived deficiencies.”<sup>167</sup> In enacting the Patent Remedy Act, Congress, the dissent argued, was attempting to overcome the recent Eleventh Amendment hurdle established in *Atascadero* - the requirement of “unmistakably clear”<sup>168</sup> language evincing intent.<sup>169</sup> The dissent would have ruled that Congress, relying on the record, not only had authority, but also clearly had support in enacting the Patent Remedy Act.<sup>170</sup>

\*81 The dissent drew from all the testimony that state relief may not be a true and adequate alternative after the majority’s ruling.<sup>171</sup> Part of this conclusion stemmed from the 1990 *Chew v. California*<sup>172</sup> case. The dissent argued that Congress’ decision to enact the Patent Remedy Act could be supported by the facts in *Chew*.<sup>173</sup> When the State of California was sued in federal district court for an alleged patent infringement, it filed a motion to dismiss based on Eleventh Amendment immunity.<sup>174</sup> The motion was granted and subsequently affirmed by the Federal Circuit.<sup>175</sup> The Federal Circuit declined to consider the question of whether the plaintiff, Chew, could obtain a state remedy.<sup>176</sup> Thus, what resulted was seemingly that, regardless of the unavailability of any state remedies, the Federal Circuit’s decision would stand.<sup>177</sup>

The dissent notes the Congress’ testimony not only manifested the existence of patent infringements by states, but also that infringement was likely to increase.<sup>178</sup> In fact, the dissent found support in the record of numerous patent infringement suits involving states since the Patent Remedy Act.<sup>179</sup> The court further concluded that states and their instrumentalities are greatly involved in the federal patent system.<sup>180</sup>

The dissent argued that it was appropriate for Congress to conclude that because jurisdiction over patent claims was granted exclusively to the federal courts many years ago, Congress could reasonably assume that state remedies were either inadequate due to nonuse or had been eradicated.<sup>181</sup> Congress then, following from this reasonable assumption, could have found that the Due Process \*82 guarantee of the Fourteenth Amendment would not be fulfilled against state defendants in state courts.<sup>182</sup>

The dissent spelled out additional reasons why the Due Process Clause would not be satisfied.<sup>183</sup> First, state courts, due to their lack of jurisdiction, have not experienced the same degree of exposure to patent law litigation as the federal courts.<sup>184</sup> Second, state courts do not have the surety of federal review.<sup>185</sup> Neither the Federal Circuit, established specifically for patent law review, nor the U.S. Supreme Court would review arguable misinterpretations of the federal patent statutes.<sup>186</sup>

The dissent rejected the majority’s contrived mandate that the legislative record evince a history of “widespread and persisting deprivation of constitutional rights”<sup>187</sup> in order to exercise its power under section five.<sup>188</sup> The Court’s precedent did not require Congress to compile such an extensive record; thus, it did not and had no reason to.<sup>189</sup>

The dissent disagreed that the majority’s decision was in line with the Court’s ruling in *Boerne*.<sup>190</sup> *Boerne* required that Congress, in using its section five powers, may act solely to “remedy or prevent unconstitutional actions.”<sup>191</sup> The Court further reiterated that Congress’ broad sweep of enforcement power includes legislation that deters or remedies constitutional violations even if such legislation prohibits conduct that itself is not unconstitutional, or aggravates circles of autonomy previously reserved to the states.<sup>192</sup>

In *Boerne*, as in *Florida Prepaid*, the Court struck down the legislation. In enacting the 1993 Religious Freedom Restoration Act, Congress attempted to change the meaning of the Free Exercise Clause of the First Amendment.<sup>193</sup> Because, as the Court held, Congress’ power is to prevent or remedy constitutional violations, and not to redefine, the Court invalidated the RFRA finding that Congress had attempted to usurp judicial power.<sup>194</sup>

\*83 A distinction was drawn between the RFRA and the Patent Remedy Act.<sup>195</sup> The purpose of the RFRA, the dissent explained, was to reject and alter the Court’s interpretation of the First Amendment.<sup>196</sup> On the other hand, the purpose of the Patent Remedy Act was to prevent future constitutional violations of due process based on the concerns that the states would

not willingly consent to suit in federal court and that state remedies are either inadequate or nonexistent.<sup>197</sup>

Furthermore, the dissent reiterated the requirement in *Boerne* that the means must be proportional to the ends.<sup>198</sup> That is, the remedial measures that Congress deems appropriate must address and respond to the apparent evils.<sup>199</sup> The dissent argued that although the RFRA failed to satisfy this congruence, nevertheless the Patent Remedy Act did.<sup>200</sup> The apparent evil identified by the dissent was the possibility that some patent owners may be deprived of their property without due process of law.<sup>201</sup> The remedial measures were abrogating the states' immunity from patent infringement suits.<sup>202</sup>

The opinion concluded with an overall sense of understandable frustration and strenuous dissension.<sup>203</sup> The dissent criticized the majority for championing states' rights and crafting non-textual authority.<sup>204</sup>

#### **\*84 V. Why *Florida Prepaid* Will Prove To Be Detrimental to the Future of Intellectual Property<sup>205</sup>**

The majority opinion of *Florida Prepaid* invalidated the Patent Remedy Act, which allowed patent holders to sue states and their instrumentalities in federal court.<sup>206</sup> In 1800, Congress decided to vest exclusive jurisdiction over patent infringement litigation in the federal courts.<sup>207</sup> Furthermore, the substantive rules of law applied to patent infringement suits are entirely federal.<sup>208</sup> The *Florida Prepaid* decision reversed this nearly 200-year-old precedent. Future patentees looking to bring suit against a state are now limited to seeking relief either in state court or settling for no relief.<sup>209</sup>

This conclusion is extremely problematic as it affords to plaintiffs little incentive to ring suit and protect their desired property.<sup>210</sup> The limited forums now available to patent owners subject to state infringement will soon manifest inevitable disastrous effects. Many concerns attach to this abrupt change in jurisdiction. Among them are the loss of uniformity,<sup>211</sup> the expertise and skill already perfected by federal court judges,<sup>212</sup> the lack of incentive for individuals to advance technology,<sup>213</sup> and the inequality of immunity enjoyed by public universities as opposed to the possibility of private universities being haled into court.<sup>214</sup>

**\*85** The need for uniformity and consistency in applying patent statutes has long been acknowledged.<sup>215</sup> Congress pre-empted state jurisdiction over patent claims with this principal goal in mind.<sup>216</sup> Congress then codified this principle by passing the Patent Remedy Act.<sup>217</sup> Its purpose was to make amenable all state actors to suits in federal court.<sup>218</sup> This clarification was necessary because Congress, while not intending to exclude states from liability, never explicitly abrogated their immunity.<sup>219</sup> Congress attempted to create exactly what was needed—consistency in the patent law system.<sup>220</sup>

What follows from the resulting unfamiliarity is risk-taking at best. The *Florida Prepaid* majority effectively and practically assigned jurisdiction over patent infringement claims to state courts.<sup>221</sup> However, because claims arising under patent laws were vested in the jurisdiction of the federal courts, state judges, if the parties and litigants are fortunate, will, at best, have *minimal* exposure in the field.<sup>222</sup> The years of experience that federal judges have on the subject do not compare to that of state judges.<sup>223</sup>

Additionally, patent claims often are very technical in nature, usually requiring some scientific background knowledge to understand the complex issues involved.<sup>224</sup> Federal judges have this basic knowledge inherent in their years of experience, whereas state judges do not.<sup>225</sup>

State courts having original jurisdiction, to take the problem one step further, connects the convolution to again the idea of uniformity.<sup>226</sup> To adjudicate a patent infringement claim, state courts must apply and interpret the federal patent statutes.<sup>227</sup> In our fifty United States, all with different procedural rules and \*86 interpretative techniques, the same patent infringement lawsuit could potentially produce fifty different results.<sup>228</sup> Since jurisdiction over patent disputes was vested in the federal courts years ago, it is simply not sensible to not allow adjudication of these claims in federal court.<sup>229</sup>

Furthermore, the United States Court of Appeals for the Federal Circuit will no longer be effective in assuring just results.<sup>230</sup> If there is to be any federal review, the U.S. Supreme Court is the only opportunity for final scrutiny.<sup>231</sup> And of the fifty states, appellate review of each and every decision is inefficient and nearly impossible to achieve.<sup>232</sup> This chaos was exactly what Congress was attempting to avoid and what the majority is fostering.

There is yet another vexing problem associated with the lack of federal jurisdiction. Pursuant to its Article I, section eight powers, Congress may legislate in order to promote science and technology.<sup>233</sup> Logically following from this power is the

duty of Congress to protect patent owners.<sup>234</sup> In doing so, Congress is able to promote innovation and technology.<sup>235</sup> Since Congress is unable to abrogate the states' immunity in order to protect patent owners, a state clearly is free to infringe on any valued good.<sup>236</sup> Rather than furthering science and the arts, individuals' developments may actually be impeded.<sup>237</sup> In striking down Congress' abrogation of states' immunity, the Court has threatened the future of intellectual property.

The Senate Report on enacting the Patent Remedy Act stated that "the current state of the law leaves the protection afforded to patent and trademark holders dependent on the status of the infringing party. A public school such as UCLA [[the University of California at Los Angeles] can sue a private school such as USC [the \*87 University of Southern California] for patent infringement, yet USC cannot sue UCLA for the same act."<sup>238</sup>

Why did the majority think this inevitable result would be a just one?<sup>239</sup> The Court in *Florida Prepaid* effectively gives an unjustified advantage to public universities over private universities.<sup>240</sup> Because much of our nation's research and education is conducted at large, often state-funded, universities, there is a high probability of infringement claims.<sup>241</sup> In the regular course of business, educators administer course materials and packets compiled by photocopies of patented or copyrighted materials.<sup>242</sup> These actions, before *Florida Prepaid*, would have made both USC and UCLA, for example, potential defendants and amenable to suit in federal court.<sup>243</sup> Instead, due to UCLA's status as a public university, it may escape liability for any claims against it.<sup>244</sup>

Another problem that, for the most part, would have been eliminated by the Patent Remedy Act is undue forum-shopping.<sup>245</sup> Prior to *Florida Prepaid*, the federal district court was available as a forum to adjudicate federal patent claims. No question existed as to where suit would be filed. Because Congress opted for the complete preemption of patent laws from the states, it logically followed that federal district court provided, not only its open door, but also the most favorable remedies. Obviously the desire was to have patents be a national practice.<sup>246</sup> The Court in *Florida Prepaid*, however, contrived its own system.<sup>247</sup>

\*88 The concern of forum-shopping was addressed by a report compiled by the Commission on Revision of the Federal Court Appellate System.<sup>248</sup> It found that patent litigation is an area of law in which the application of the substantive statutes to a particular case will produce different results in different courtrooms even when the facts are essentially the same.<sup>249</sup> What results is that certain forums are considered "pro-patent" and others are considered "anti-patent" leaving to the patentee the choice of where to bring the lawsuit.<sup>250</sup> This uncertainty causes the forum-shopper to waste considerable time and energy searching for a "plaintiff-friendly" venue.<sup>251</sup>

In 1992, the Advisory Commission on Patent Law Reform suggested that in order to have an efficient patent law system, patent litigation must be centralized in one district court per circuit.<sup>252</sup> Furthermore, the judges presiding over these matters ought to have expertise in the field.<sup>253</sup> With this system in place, substantive federal patent law will be applied to causes of action evenly, enabling national consistency.<sup>254</sup>

## VI. So, No Federal Remedies—What Relief Do State Courts Provide?

In enacting the Patent Remedy Act, Congress intended to create a system where public actors were on equal ground with private actors.<sup>255</sup> Congress wanted to extend identical rights, remedies, and restrictions to all players in the field of patent law.<sup>256</sup> The majority found Congress' efforts to be unconstitutional, ruling that no such inequity existed among states and private citizens.<sup>257</sup> However, the support for the majority's holding was far from exhaustive.<sup>258</sup>

When advancing federal claims, it has been noted that a claimant will fare better in federal court than in state court.<sup>259</sup> The dissent certainly agreed with this notion, criticizing the majority for not fully comprehending it.<sup>260</sup> Instead, the majority concluded, with insufficient and unclear evidence, that the inadequacy of \*89 the relief offered by state courts was at worst innocent or negligent and thus found nothing amounting to constitutional violations.<sup>261</sup>

Although the congressional record was not supported by sufficient evidence to conclude that state remedies were inadequate, the dissent argued that Congress reached a reasonable conclusion.<sup>262</sup> Again, because jurisdiction over patent infringement claims was vested exclusively in the federal courts and because of the nonexistence of any patent statutes, Congress reasonably assumed that state courts would not offer significant remedies.<sup>263</sup>

Obviously, due to state immunity, the remedies among the fifty states, to the extent they exist, vary.<sup>264</sup> The result of this "patchwork of State laws"<sup>265</sup> completely undermines the seemingly forgotten goal of uniformity.<sup>266</sup> Substantively, the

remedies available in federal court to patent holders infringed by a state substantially outweigh what state courts may offer.<sup>267</sup>

For patent infringement claims, the federal laws provide for any and all relief pursuant to the statute and deemed proper by the court adjudicating the claim.<sup>268</sup> \*90 Because the federal courts hold patents and other intellectual properties in such valuable regard, the consequences for infringement are adequate and equitable.<sup>269</sup>

Certainly, relief this extensive is not offered by any state courts.<sup>270</sup> Since states generally have not included in their statutes any provisions for patent infringement claims because of the 1800 decision by Congress to vest exclusive jurisdiction over patent infringement litigation in the federal courts,<sup>271</sup> patentees commencing a lawsuit for patent infringement in state court must tailor their complaints to allege one of many possible tort claims.<sup>272</sup> Although a myriad of tort allegations exists under state laws, little comfort is taken in knowing that potential plaintiffs must rely solely on these forms of action.<sup>273</sup> Furthermore, there is no guarantee that a judge may deem certain causes of action viable under a particular set of facts.<sup>274</sup>

The majority, interpreting congressional testimony, noted that the available state remedies were not unconstitutional, but instead were merely less convenient than federal remedies.<sup>275</sup> After reading testimony evincing severe discrepancies between federal and state relief, the majority still relied on age-old principles established in *Hans*<sup>276</sup> in 1890.<sup>277</sup>

It is quite difficult to reconcile the majority opinion with the practical application this decision will have on patent law.<sup>278</sup> It would be, at the very least, disheartening to witness, let alone participate in, a patent infringement proceeding in state court.<sup>279</sup> A hypothetical plaintiff, most likely the victim in the suit as well, has spent much of his<sup>280</sup> adult life developing an invention he plans to patent. He is \*91 confident that this patent will prove to be successful both financially and personally. A state infringes his patent.<sup>281</sup>

The Patent Remedy Act would have guaranteed his day in federal court against the state and relief for all his now-tainted arduous work, provided, of course, the facts of his case truly alleged an infringement.<sup>282</sup> However, in today's post-*Florida Prepaid* environment, the plaintiff in this hypothetical case would be foreclosed from bringing suit against the state in federal court.<sup>283</sup>

Thus, the hypothetical plaintiff may only sue the state in state court.<sup>284</sup> His complaint, at best, would allege all possible tort claims relevant to the facts of the patent infringement and that fall within the statute.<sup>285</sup> Because of his foreclosure from federal court, no federal remedies are available to him.<sup>286</sup> The patent statutes enacted to provide plaintiffs, like this one, with adequate relief are effectively moot, at least when dealing with state defendants.<sup>287</sup>

Specifically, state remedies for alternative claims of patent infringement vary from state to state.<sup>288</sup> The State of Florida, surprisingly, provides to plaintiffs relief for patent infringements on the part of the State.<sup>289</sup> Patentees alleging State infringement have a couple of options. They may pursue a legislative remedy by submitting a claims bill for payment in full,<sup>290</sup> or seek a judicial remedy by alleging a takings or a conversion claim.<sup>291</sup>

The opportunity to attain such adequate relief is not commonplace among state courts.<sup>292</sup> The remedies offered by the State of Connecticut, for example, are exactly what the dissent feared when the Court rejected the Patent Remedy Act.<sup>293</sup> Although the Connecticut General Statutes do mention patents, they are generally \*92 in the context of what the State has the opportunity to obtain.<sup>294</sup> Nowhere in the statutes does the State enumerate available relief for patentees subject to infringement by the State.<sup>295</sup>

The majority spelled out numerous causes of action that may be available to patentees in state courts.<sup>296</sup> Specifically in Connecticut, of these available claims, the State offers plaintiffs merely two opportunities under which to bring suit.<sup>297</sup> One option is to draft the complaint alleging inverse condemnation.<sup>298</sup> The statute provides for a plaintiff's award at the discretion of the court to reimburse the reasonable costs incurred by plaintiff.<sup>299</sup>

The State offers one other option. The patent owner may alter the claim in such a manner as to allege conversion.<sup>300</sup> The statute provides for plaintiffs to allege both legal and equitable rights and to pray for both remedies at law and in equity.<sup>301</sup>

The remedies offered by the State of Texas are few and far between.<sup>302</sup> Although the Texas Statutes do mention patents, like the Connecticut General \*93 Statutes they are generally in the context of what the State may obtain.<sup>303</sup> Nowhere in the Texas statutes does the State enumerate available relief for patentees subject to infringement by the State.<sup>304</sup>

Specifically, of the available tort claims, the State of Texas offers to plaintiffs seemingly two *practicable* opportunities under which to bring suit for patent infringement.<sup>305</sup> The first is to draft the complaint alleging conversion of personal property.<sup>306</sup> The applicable statute appears to allow for this particular cause of action, in providing a two-year window for a person to file a suit.<sup>307</sup> However, the statute neither addresses remedies, nor offers any direction in finding relief elsewhere in the code.<sup>308</sup>

The second option is to draft the complaint alleging a taking of real property and to invalidate a governmental action.<sup>309</sup> The statute provides for plaintiffs to assert their legal rights to seek both remedies at law and in equity.<sup>310</sup>

As evidenced by this display and the arguments put forth by the dissent, patent holders subject to infringement ought not to be foreclosed from filing suit against the states in federal court.<sup>311</sup> The benefits are few, and the drawbacks are many.<sup>312</sup>

## VII. Conclusion

“[C]onsistency, uniformity, and familiarity with the extensive and relevant body of patent jurisprudence are matters of overriding significance in this area of the law.”<sup>313</sup>

\*94 In *Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank*, the U.S. Supreme Court held that the Patent Remedy Act could not be sustained as legislation enacted to abrogate the states’ sovereign immunity from patent infringement suits in federal court.<sup>314</sup> This decision, although seemingly sincere in its practical application due to its championing of states’ rights and its concern with the livelihood of the Eleventh Amendment, changes the future of patent litigation enormously.<sup>315</sup>

As the dissent pointed out, the Patent Remedy Act was essential to protecting patent owners.<sup>316</sup> This decision reverts the patent laws back to the pre-1992 system where patentees’ only available remedy was in state court.<sup>317</sup> Congress’ attempt to rectify this inequity and inconsistency<sup>318</sup> was well supported by the congressional record evincing constitutional violations.<sup>319</sup> Why the Court is effectively forcing the nation to endure such inequity is unknown.

It is interesting to note one of the dissent’s final observations of the congressional record that this Casenote did not previously address. The dissent first reiterated how the majority demonstrated itself as a proponent of states’ rights.<sup>320</sup> The dissent went on to note that although the majority may have considered its opinion as doing the states a favor, the states never illustrated a desire to possess the rights given to them.<sup>321</sup> When Congress conducted its hearings on the Patent Remedy Act, the states were invited to participate in testifying against the abrogation of their immunity.<sup>322</sup> None were so inclined.<sup>323</sup>

An appropriate summary of the Supreme Court’s then recent jurisprudence regarding issues of federal and state rights was advanced over two decades ago.<sup>324</sup> It was suggested that Justice Rehnquist’s then recent opinions were guided by three basic principles.<sup>325</sup> The first was that conflicts between an individual and the \*95 government should be resolved against the individual, whenever possible.<sup>326</sup> The second principle was that conflicts between federal and state authorities should be resolved in favor of the states, whenever possible.<sup>327</sup> The third principle was that when questions arise as to the exercise of federal jurisdiction, they should be resolved against such exercise, whenever possible.<sup>328</sup>

Surprisingly, and strangely enough, after twenty-two years, this assessment of the former Supreme Court is applicable to and on point with the majority in *Florida Prepaid*.<sup>329</sup> Maintaining the states’ individual rights is a respected goal in our country, as they are vital in keeping the central government from exceeding its granted authority. However, other respected goals are uniformity and consistency in our laws, as they help foster our country’s success.<sup>330</sup> The majority’s decision in *Florida Prepaid* severely threatens these latter goals.<sup>331</sup>

## Footnotes

<sup>a1</sup> J.D. candidate, May 2001, Quinnipiac University School of Law, Hamden, Connecticut. I would personally like to thank the Quinnipiac Law Review for comments and suggestions, Quinnipiac University Professor of Law John Morgan for serving as my faculty advisor when I drafted this paper, the members of the Texas Intellectual Property Law Journal of their patience and particularly in editing this paper, and my family and friends for their support.

<sup>1</sup> See, e.g., *Chew v. California*, 893 F.2d 331, 336, 13 U.S.P.Q.2d (BNA) 1393, 1397 (Fed. Cir. 1990).

<sup>2</sup> See *id.*

<sup>3</sup> 527 U.S. 627, 629, 51 U.S.P.Q.2d (BNA) 1081, 1082-83 (1999) (invalidating the Patent Remedy Act).

<sup>4</sup> See *infra* Parts II & IV.A. See also *infra* note 33

<sup>5</sup> See *Florida Prepaid*, 527 U.S. at 650, 51 U.S.P.Q.2d at 1091 (Stevens, J., dissenting).

<sup>6</sup> See generally *Florida Prepaid*, 527 U.S. 627, 51 U.S.P.Q.2d 1099(1999). See also *infra* Part IV.

<sup>7</sup> See generally *Florida Prepaid*, 527 U.S. 627, 51 U.S.P.Q.2d 1081 (1999). See also *infra* Part IV.

<sup>8</sup> See *Florida Prepaid*, 527 U.S. at 657, 51 U.S.P.Q.2d at 1093 (Stevens, J., dissenting). The dissent pointed out that in 1986 alone, the United States Patent and Trademark Office issued over 2,000 patents to both private and public universities. For the year 1995, licenses at state universities produced royalty earnings totaling \$273.5 million, an increase of 12% from 1994. Since early 1995, the State of Florida has obtained more than 200 United States patents. Lastly, the dissent noted that all fifty states currently possess or have obtained patents. See also *Genentech Inc. v. Univ. of California*, 143 F.3d 1446, 1454 n.6, 46 U.S.P.Q.2d (BNA) 1586, 1592 n.6 (Fed. Cir. 1998) (finding that in 1994, the University of California, a state-funded institution, filed 389 patent applications, receiving 126 of those, and received \$50.2 million in royalties).

<sup>9</sup> See *Florida Prepaid*, 527 U.S. at 657, 51 U.S.P.Q.2d at 1093 (Stevens, J., dissenting). See 28 U.S.C. § 1338(a) (1994) (“The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights, and trademarks. Such jurisdiction shall be exclusive of the courts of the states in patent, plant variety, and copyright cases.”)

<sup>10</sup> See *Florida Prepaid*, 527 U.S. at 656, 51 U.S.P.Q.2d at 1093 (Stevens, J., dissenting) (stating that, traditionally, state courts provide little to no relief in these cases because they are generally adjudicated in federal courts).

<sup>11</sup> See, e.g., *Chew v. California*, 893 F.2d 331, 336, 13 U.S.P.Q.2d 1393, 1397 (Fed. Cir. 1990).

<sup>12</sup> Pub. L. No. 102-560, 106 Stat. 4230 (1992) (codified as 35 U.S.C. §§ 271, 296 (1994)) (hereinafter Patent Remedy Act). Section 271(a) provides in relevant part, “[W]hoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.” Section 271(h) now states, “As used in this section, the term ‘whoever’ includes any State, any instrumentality of a State, and any officer or employee of State or instrumentality of a State acting in his official capacity.” Section 296(a) provides that, “[a]ny State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his official capacity, shall not be immune, under the Eleventh Amendment of the Constitution of the United States or under any other doctrine of sovereign immunity, from suit in Federal Court by any person ... for infringement of a patent under section 217.” See *Florida Prepaid*, 527 U.S. at 632, 51 U.S.P.Q.2d at 1083-84.

<sup>13</sup> For purposes of this Casenote, the term “State,” as provided by the definition of “whoever” in the United States patent laws, refers to “any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his official capacity.” 35 U.S.C. § 271(h) (1994).

<sup>14</sup> The Eleventh Amendment states that “[t]he judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any

Foreign State.” U.S. CONST. amend. XI.

<sup>15</sup> See Pub. L. No. 102-560, 106 Stat. 4230 (1992). See also *Florida Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*, 527 U.S. 627, 51 U.S.P.Q.2d 1081 (1999).

<sup>16</sup> See 527 U.S. at 655-56, 51 U.S.P.Q.2d at 1093; 145 CONG. REC. S10359-01, \*S10359 (daily ed. August 5, 1999). See also Patent Remedy Clarification Act, 1990: Hearings on H.R. 3886 before the Subcomm. On Courts, Intellectual Property, and the Administration of Justice of the House Comm. on the Judiciary, 101st Cong. 34 (1990) (statement of Robert Merges, Professor).

<sup>17</sup> See *id.*

<sup>18</sup> See *infra* Parts V & VI.

<sup>19</sup> See 101st Cong., 2d Sess., 60 (1990) House Hearing at 34. See also *Florida Prepaid*, 527 U.S. at 655-56, 51 U.S.P.Q.2d at 1093; 145 CONG. REC. S10359-01, \*S10359 (daily ed. August 5, 1999).

<sup>20</sup> See, e.g., *Seminole Tribe of Florida v. Florida*, 517 U.S. 44 (1996); *Chew v. California*, 893 F.2d 331, 13 U.S.P.Q.2d 139 (Fed. Cir. 1990).

<sup>21</sup> See *Seminole Tribe*, 517 U.S. at 47 (1996) (holding invalid a congressional attempt to abrogate states’ immunity pursuant to the Commerce Clause, but reaffirming that Congress still has the power to do so pursuant to Section Five of the Fourteenth Amendment).

<sup>22</sup> For purposes of this Casenote, Federalism is defined as “[t]he relationship and distribution of power between the individual states and the national government.” BLACK’S LAW DICTIONARY 253 (Pocket Ed. 1996).

<sup>23</sup> 2 U.S. (2 Dall.) 419 (1793).

<sup>24</sup> Id. at 420-21.

<sup>25</sup> See S. REP. NO. 102-280, at 27 (1992).

<sup>26</sup> See, e.g., *Florida Prepaid Postsecondary Educ. Expense Bd. v. College Sav. Bank*, 527 U.S. 627, 51 U.S.P.Q.2d 1081 (1999) (5-4 decision); *Pennsylvania v. Union Gas Co.*, 491 U.S. 1 (1989) (plurality opinion), overruled by *Seminole Tribe of Fla. v. Florida*, 517 U.S. 44 (1996) (5-4 decision); *Atascadero State Hosp. v. Scanlon*, 473 U.S. 234 (1985) (5-4 decision).

<sup>27</sup> 134 U.S. 1 (1890).

<sup>28</sup> See *id.*

<sup>29</sup> See *id.* See also *Atascadero State Hosp. v. Scanlon*, 473 U.S. 234, 238 (1985) (reiterating the holding in *Hans* and stating that the Court decided this way “even though the express terms of the [Eleventh] Amendment do not so provide”).

<sup>30</sup> See, e.g., *Seminole Tribe*, 517 U.S. 44 (1996) (invalidating Congress’ attempt to abrogate states’ immunity pursuant to the Commerce Clause).

<sup>31</sup> 427 U.S. 445 (1976).

<sup>32</sup> *Id.* at 456.

<sup>33</sup> *Id.*

<sup>34</sup> 473 U.S. 234 (1985).

<sup>35</sup> *Id.* at 242.

<sup>36</sup> 491 U.S. 1 (1989).

<sup>37</sup> *Id.* at 19-20.

<sup>38</sup> *Id.* at 7-8.

<sup>39</sup> 893 F.2d 331, 13 U.S.P.Q.2d 1393 (Fed. Cir. 1990).

<sup>40</sup> See *id* at 334, 13 U.S.P.Q.2d at 1395-96.

<sup>41</sup> *Id.*, 13 U.S.P.Q.2d at 1396.

<sup>42</sup> 35 USC §§ 271, 296 (1994).

<sup>43</sup> 517 U.S. 44 (1996).

<sup>44</sup> *Id.* at 66.

<sup>45</sup> *Id.* at 47.

<sup>46</sup> *Id.* at 65-66.

<sup>47</sup> *Id.*

<sup>48</sup> See *Florida Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*, 527 U.S. 627, 632, 51 U.S.P.Q.2d 1081, 1083-84 (1999).

<sup>49</sup> 35 U.S.C. § 271(h) (1994).

<sup>50</sup> See *Florida Prepaid*, 527 U.S. at 632, 51 U.S.P.Q.2d at 1083-84.

<sup>51</sup> See S. REP. NO. 102-280, at 8.

<sup>52</sup> 527 U.S. 627, 51 U.S.P.Q.2d 1081 (1999).

<sup>53</sup> *Id.* at 630, 51 U.S.P.Q.2d at 1083.

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> *Id.* at 630-31, 51 U.S.P.Q.2d at 1083.

<sup>57</sup> *Id.* at 631, 51 U.S.P.Q.2d at 1083.

<sup>58</sup> *College Sav. Bank v. Florida Prepaid Postsecondary Educ. Expense Bd.*, 948 F. Supp. 400, 402, 42 U.S.P.Q.2d (BNA) 4187, 1489 (D. N.J. 1996).

<sup>59</sup> *Florida Prepaid*, 527 U.S. at 631, 51 U.S.P.Q.2d at 1083. See also Fla. Stat. § 240.551(1) (Supp. 1998).

<sup>60</sup> See *id.*

<sup>61</sup> See *Coll. Sav.*, 948 F. Supp. at 402, 42 U.S.P.Q.2d at 1489.

<sup>62</sup> *Florida Prepaid*, 527 U.S. at 632-33, 51 U.S.P.Q.2d at 1084.

<sup>63</sup> See *Coll. Sav.*, 948 F. Supp. at 404, 42 U.S.P.Q.2d at 1492.

<sup>64</sup> See *Florida Prepaid*, 527 U.S. at 633, 51 U.S.P.Q.2d at 1084.

<sup>65</sup> *Coll. Sav.*, 948 F. Supp. 400, 42 U.S.P.Q. 1487.

<sup>66</sup> *College Sav. Bank v. Florida Prepaid Postsecondary Educ. Expense Bd.*, 148 F.3d 1343, 1345, 47 U.S.P.Q.2d (BNA) 1161, 1162 (Fed. Cir. 1998).

<sup>67</sup> See *Florida Prepaid*, 527 U.S. at 629, 51 U.S.P.Q.2d at 1083 (1999).

<sup>68</sup> 527 U.S. 627, 51 U.S.P.Q.2d 1081 (1999) (Rehnquist, C.J., delivered the opinion of the Court, in which O'Connor, Scalia, Kennedy, & Thomas, JJ., joined).

<sup>69</sup> See *id.* at 634-35, 51 U.S.P.Q.2d at 1084 (quoting *Seminole Tribe of Florida v. Florida*, 517 U.S. 44, 54 (1996)).

70        *See id.*

71        *See, e.g.*, 527 U.S. 627, 51 U.S.P.Q.2d 1081 (1999); *Seminole Tribe*, 517 U.S. 44 (1996); *Welch v. Texas Dep’t of Highways & Pub. Transp.*, 483 U.S. 468 (1987); *Atascadero State Hosp. v. Scanlan*, 473 U.S. 234 (1985). *See also supra* note 33.

72        *Seminole Tribe*, 517 U.S. at 55 (quoting *Green v. Mansour*, 474 U.S. 64, 68 (1985)).

73        *See Florida Prepaid*, 527 U.S. at 635, 51 U.S.P.Q.2d at 1085.

74        *Seminole Tribe*, 517 U.S. at 55 (quoting *Green*, 474 U.S. at 68).

75        *See Florida Prepaid*, 527 U.S. at 635-36, 51 U.S.P.Q.2d at 1085.

76        *See id.*

77        *See id.* at 635-36, 51 U.S.P.Q.2d at 1085.

78        *See Seminole Tribe*, 517 U.S. 44 (1996) (overruling the plurality opinion in *Pennsylvania v. Union Gas Co.*, 491 U.S. 1 (1989), which held that Congress may abrogate states’ immunity pursuant to an Article I power (the Commerce Clause)).

79        *See Florida Prepaid*, 527 U.S. at 637, 51 U.S.P.Q.2d at 1085.

80        *Id.* at 636-37, 51 U.S.P.Q.2d at 1085.

81        *See Fitzpatrick v. Bitzer*, 427 U.S. 445, 456 (1976).

82        *See id.* at 456.

83        *See Florida Prepaid*, 527 U.S. 627, 51 U.S.P.Q.2d 1081 (holding that Congress may still legislate to abrogate states’ immunity under Section Five of the Fourteenth Amendment; the Patent Remedy Act failed merely because it did not satisfy the necessary tests to do so).

84        521 U.S. 507 (1997).

85        *See Florida Prepaid*, 527 U.S. at 637-38, 51 U.S.P.Q.2d at 1086.

86        *See 42 U.S.C. § 2000bb et seq.* (1993).

87        *See City of Boerne*, 521 U.S. at 519.

88 *Id.* at 515-16.

89 *Id.*

90 *Id.* at 519.

91 *Id.*

92 *Id.* at 519-20.

93 *Id.*

94 *Id.* at 520

95 *See Florida Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*, 527 U.S. 627, 639, 51 U.S.P.Q.2d, 1081, 1086 (1999) (referring to the Court's holding in *City of Boerne*).

96 *City of Boerne*, 521 U.S. at 519.

97 *Id.* at 532.

98 *See Florida Prepaid*, 527 U.S. at 639-40, 51 U.S.P.Q.2d at 1086-87.

99 *Id.*

100 *Id.*

101 *Id.*

102 *Id.*

103 *Id.* at 640, 51 U.S.P.Q.2d at 1087.

104 *Id.*

105 *Id.* (citing H.R. REP. NO. 101-960, pt. 1, p. 38 (1990)) [[hereinafter H.R. REP.]].

106 *See id.*

107 *Florida Prepaid*, 527 U.S. at 640-41, 51 U.S.P.Q.2d at 1087 (citing Patent Remedy Clarification Act: Hearing on H.R. 3886 before the Subcommittee on Courts, Intellectual Property, and the Administration of Justice of the House Committee on the Judiciary,

101st Cong., 2d Sess., 56 (1990)). Idea advanced by Representative William S. Thompson who was in favor of the bill.

108 *Id.* (citing House Hearing on H.R. 3886, 101st Cong., 2d Sess., 32 (1990)). Idea advanced by Representative Robert Merges who was in favor of the bill.

109 *Id.* (citing House Hearing on H.R. 3886, 101st Cong., 2d Sess., 22 (1990)). Statement made by Representative Kastenmeier who was the bill's sponsor. Rep. Kastenmeier went on to say that the argument could be made that the legislation was premature. House Hearing on H.R. 3886, 101st Cong., 2d Sess., 22 (1990).

110 *Florida Prepaid*, 527 U.S. at 641, 51 U.S.P.Q.2d at 1087.

111 *Id.* (citing House Hearings 22, *id.* at 36-37, 57. H.R. REP., at 38.)

112 *Florida Prepaid*, 527 U.S. at 642, 51 U.S.P.Q.2d at 1087-88 (citing *Brown v. Duchesne*, 19 How. 183, 197 (1856), “the rights of a party under a patent are his private property,” also, *Consolidated Fruit-Jar Co. v. Wright*, 94 U.S. 92, 96 (1876), where the Court ruled, “[a] patent for an invention is as much property as a patent for land”).

113 *See id.*

114 *Id.*

115 *Id.*

116 *Id.*

117 *Id.* (citing *Parratt v. Taylor*, 451 U.S. 527, 529-31 (1981), and *Hudson v. Palmer*, 468 U.S. 517, 532-33 (1984)).

118 *Id.*

119 *Id.*

120 *Id.* at 2209, 51 U.S.P.Q.2d at 1088.

121 *Id.* (citing House Hearings at 43).

122 *Id.* (citing House Hearings at 34).

123 *See infra* Part IV.B.

124 *Florida Prepaid*, 527 U.S. at 644, 51 U.S.P.Q.2d at 1088-89.

125 *Id.*, 51 U.S.P.Q.2d at 1089 (citing *Daniels v. Williams*, 474 U.S. 327, 328 (1986)).

<sup>126</sup> *Id.* (citing 35 U.S.C. § 271(a) (1994 ed., Supp. III)).

<sup>127</sup> *Id.* If a plaintiff can prove willful intent to infringe under 35 U.S.C. § 284, the patentee may be entitled to an award of treble damages. *See* S. Rep. No. 102-280, 102d Cong., 2d Sess. (1992), at 33.

<sup>128</sup> *Id.* *See also* S. Rep. at 10, “with all the products that [[government] buy[s] ... [is] anyone ... really aware of the patent status of any particular invention or device or product[?]]”

<sup>129</sup> *Id.* at 2210, 51 U.S.P.Q.2d at 1089. *See also* *City of Boerne*, 521 U.S. at 526.

<sup>130</sup> *Id.* *See also* *City of Boerne*, 521 U.S. at 526.

<sup>131</sup> *Id.*, 51 U.S.P.Q.2d at 1089-90. *See also* *City of Boerne*, 521 U.S. at 530.

<sup>132</sup> *Id.*

<sup>133</sup> *Id.*

<sup>134</sup> *See id.*

<sup>135</sup> *Id.* at 2210 n.10, 51 U.S.P.Q.2d at 1089(providing testimonial examples of patented products that are diverse and frequently used by states such as hospitals, universities, libraries, and prisons).

<sup>136</sup> *See id.*

<sup>137</sup> *See id.*

<sup>138</sup> *See id.*

<sup>139</sup> *See id.*

<sup>140</sup> *Florida Prepaid*, 527 U.S. at 647, 51 U.S.P.Q.2d at 1089 (citing *City of Boerne*, 521 U.S. at 533).

<sup>141</sup> *Id.*

<sup>142</sup> *Id.*, 51 U.S.P.Q.2d at 1090.

<sup>143</sup> *Id.*

<sup>144</sup> *Id.*

<sup>145</sup> *See supra* note 25.

<sup>146</sup> *Florida Prepaid*, 527 U.S. at 648, 51 U.S.P.Q.2d at 1090.

<sup>147</sup> 527 U.S. 627, 51 U.S.P.Q.2d 1081 (1999). Justice Stevens filed the dissenting opinion, in which Justices Souter, Ginsburg, and Breyer joined.

<sup>148</sup> *Florida Prepaid*, 527 U.S. at 648, 51 U.S.P.Q.2d at 1090 \_\_\_\_ (Stevens, J., dissenting) (citing U.S. CONST. art. I, § 8, cl. 8).

<sup>149</sup> *Id.* (Stevens, J., dissenting) (citing 35 U.S.C. § 1338(a)).

<sup>150</sup> *Id. at 649*, 51 U.S.P.Q.2d at 1090 (Stevens, J., dissenting).

<sup>151</sup> *Id.*

<sup>152</sup> *Id. at 650*, 51 U.S.P.Q.2d at 1090-91.

<sup>153</sup> *Id.*

<sup>154</sup> *Id.*

<sup>155</sup> *Id.*

<sup>156</sup> *See id.* at 652, 51 U.S.P.Q.2d at 1091.

<sup>157</sup> *Id.*

<sup>158</sup> *Id.*

<sup>159</sup> *Id.*

<sup>160</sup> *See supra* Part IV.A.

<sup>161</sup> *Florida Prepaid*, 527 U.S. at 652, 51 U.S.P.Q.2d at 1092 (Stevens, J., dissenting).

<sup>162</sup> *Id.*

<sup>163</sup> *Id. See also supra* note 111.

164 *Id.*

165 *Id.*

166 *Id.*

167 *Id.* at 654, 51 U.S.P.Q.2d at 1092.

168 *Atascadero State Hospital v. Scanlon*, 473 U.S. 234.

169 *Florida Prepaid*, 527 U.S. 655, 51 U.S.P.Q.2d at 1093 (Stevens, J., dissenting) (quoting from *Chew v. California*, 893 F.2d 331, 334 (C.S.Fed. 1990)).

170 *Id.* Mr. William Thompson, President of the American Intellectual Property Law Association, in a dialogue with the Chairman of the House Subcommittee considering the Patent Remedy Act, Representative Kastenmeier, opined that the legislation was “very clearly drawn.” Hearing before the Subcommittee on Courts, Intellectual Property, and the Administration of Justice of the House Comm. on the Judiciary, 101st Cong., 2d Sess., 60 (1990) (Hereinafter, House Hearing). Additionally, he commented that the enactment seemed to satisfy the requirement of the Court in *Atascadero*. Lastly, he mentioned that attorneys’ interpretations of statutes are often unpredictable, but that all the “sane ones would not bring an action.”

171 *See Florida Prepaid*, 527 U.S. at 655-56, 51 U.S.P.Q.2d at 1092-93 (Stevens, J., dissenting) (citing House Hearing at 33).

172 *Chew v. California*, 893 F.2d 331, 13 U.S.P.Q.2d 1393 (C.A.Fed. 1990).

173 *See Florida Prepaid*, 527 U.S. at 655, 51 U.S.P.Q.2d at 1092-93 (Stevens, J., dissenting).

174 *Chew*, 893 F.2d at 332, 13 U.S.P.Q.2d at 1394.

175 *Id.*

176 *Id.* at 336, 13 U.S.P.Q.2d 1397.

177 *Id.*

178 *Florida Prepaid*, 527 U.S. at 656, 51 U.S.P.Q.2d at 1093 (Stevens, J., dissenting) (citing H.R. REP. NO. 102-960, at 38 (1990)).

179 The dissent cited several patent infringement cases since 1992 in which States and their instrumentalities, especially state universities, have been involved. *Florida Prepaid*, 527 U.S. at 656, 51 U.S.P.Q.2d at 1093 (Stevens, J., dissenting). Among them were, *Regents of Univ. of Minn. v. Glaxo Welcome, Inc.*, 44 F. Supp. 2d 998, 51 U.S.P.Q.2d (BNA) 1567 (D. Minn. 1999), *Univ. of Colo. Found., Inc. v. American Cyanamid Co.*, 974 F. Supp. 1339, 44 U.S.P.Q.2d (BNA) 1231 (D. Colo. 1997).

180 *Florida Prepaid*, 527 U.S. at 657, 51 U.S.P.Q.2d at 1094.

181        *Id.* at 658, 51 U.S.P.Q.2d at 1094-95 (Stevens, J., dissenting). *See also* Chisum, Patents § 20.02[1][a] (1998).

182        *Id.* at 659, 51 U.S.P.Q.2d at 1095.

183        *Id.*

184        *Id.*

185        *Id.*

186        *See id.*

187        *Florida Prepaid*, 527 U.S. at 645, 51 U.S.P.Q.2d at 1089.

188        *Id.* at 660, 51 U.S.P.Q.2d at 1095 (Stevens, J., dissenting).

189        *Id.*

190        *Id.*

191        *City of Boerne v. Flores*, 521 U.S. 507, 519 (1997).

192        *Id.* at 518.

193        *Id.* at 515-16.

194        *Id.* at 524.

195        *Florida Prepaid Postsecondary Educ. Expense Bd. v. College Sav. Bank*, 527 U.S. 627, 661, 51 U.S.P.Q.2d 1081, 1095 (1999) (Stevens, J., dissenting).

196        *Id.*

197        *Id.*

198        *City of Boerne v. Flores*, 521 U.S., 507, 519-20 (1997).

199        *Id.*

200        *Florida Prepaid*, 527 U.S. at 662, 51 U.S.P.Q.2d at 1095-96 (Stevens, J., dissenting).

201 *Id.*

202 *Id.*

203 *Id.* at 664-65, 51 U.S.P.Q.2d at 1097.

204 *Id.* The dissent here is referring to the majority, which is referring to *Seminole Tribe of Fla. v. Florida*, 517 U.S. 44 (1996). “[That case’s] dimensions are defined only by the present majority’s perception of constitutional penumbras rather than constitutional text.” *Id.* See 145 Cong. Rec. S10359, 106th Cong. 1st Sess., (1999) where Laurence Tribe, Harvard Professor, commented that the majority decided “[i]n the absence of even a textual hint in the Constitution.”

205 Justice Story commented on the Patent Clause years ago. This quote can also be applied to the problems today regarding the failed Patent Remedy Act.

It is beneficial to all parties, that the national government should possess this power; to authors and inventors, because, otherwise, they would be subjected to the varying laws and systems of the different states on this subject, which would impair, and might even destroy the value of their rights; to the public, as it will promote the progress of science and the useful arts, and admit the people at large, after a short interval, to the full possession and enjoyment of all writings and inventions without restraint.

*Florida Prepaid*, 527 U.S. at 649-50, 51 U.S.P.Q.2d at 1090-91 (Stevens, J., dissenting) (citing J. Story, *Commentaries on the Constitution of the United States* § 502, at 402 (R. Rotunda & J. Nowak eds. 1987)).

206 See *Florida Prepaid*, 527 U.S. at 630, 51 U.S.P.Q.2d at 1083.

207 *Id.* at 650, 51 U.S.P.Q.2d at 1091 (Stevens, J., dissenting). See also *supra* note 12.

208 *Id.*

209 See *id.* at 655-56, 51 U.S.P.Q.2d at 1093.

210 See *id.* at 656, n.7, 51 U.S.P.Q.2d at 1093, n.7 (Stevens, J., dissenting) (citing House Hearing at 34).

211 See generally *Florida Prepaid*, 527 U.S. at 648-65, 51 U.S.P.Q.2d at 1090-97 where Justice Stevens, in his dissent, continuously stressed the need for uniformity.

212 See Susan C. Hill, *Are States Free to Pirate Copyrighted Materials and Infringe Patents?—Pennsylvania v. Union Gas May Mean They Are Not*, 92 W. Va. L. Rev. 487, 518 (1990).

213 See Kristen Healey, *The Scope of Eleventh Amendment Immunity from Suits Arising under Patent Law after Seminole Tribe v. Florida*, 47 Am. U. L. Rev. 1735, 1757 (1998).

214 See S. REP. NO. 102-280, at 8-9 (1992), reprinted in 1992 U.S.C.C.A.N. 3087.

215 This concept dates back to the days of the Articles of Confederation. During that time, the states had individual patent laws. Due to the failure of that system, the Patent Clause was included in the Constitution. The Patent Clause states that Congress shall have the power “[t]o 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.” U.S. CONST. art. I, § 8, cl. 8.

<sup>216</sup> *Florida Prepaid*, 527 U.S. at 656-58, 51 U.S.P.Q.2d at 1093-94 (Stevens, J., dissenting).

<sup>217</sup> *Supra* note 15.

<sup>218</sup> S. Rep. No. 102-280, 102d Cong., 2nd Sess. at 31.

<sup>219</sup> *Id.*

<sup>220</sup> *Florida Prepaid*, 527 U.S. at 650, 51 U.S.P.Q.2d at 1090 (Stevens, J., dissenting).

<sup>221</sup> See generally *Florida Prepaid*, 527 U.S. 2199, 51 U.S.P.Q.2d 1081.

<sup>222</sup> *Id.* at 2216, 51 U.S.P.Q.2d at 1094.

<sup>223</sup> *Id.*

<sup>224</sup> See Hill, *supra* note 212, at 518.

<sup>225</sup> *Florida Prepaid*, 527 U.S. at 659, 51 U.S.P.Q.2d at 1094 (Stevens, J., dissenting).

<sup>226</sup> Hill, *supra* note 212, at 518.

<sup>227</sup> *Florida Prepaid*, 527 U.S. 650, 51 U.S.P.Q.2d at 1091 (Stevens, J., dissenting).

<sup>228</sup> “The States cannot separately make effectual provision for ... [[patents]], and most of them have anticipated the decision of this point, by laws passed at the instance of Congress.” The Federalist No. 43, at 267 (James Madison) (H. Lodge ed. 1908).

<sup>229</sup> See *Florida Prepaid*, 527 U.S. at 659, 51 U.S.P.Q.2d at 1091 (Stevens, J., dissenting).

<sup>230</sup> See *id.* at 527, 51 U.S.P.Q.2d at 1095.

<sup>231</sup> See *id.*

<sup>232</sup> *Id.* In 1981, Congress was determining whether to create the United States Court of Appeals for the Federal Circuit. In a House Report advocating its creation, Congress pointed out that “[t]he infrequency of Supreme Court review of patent cases leaves the present judicial system without any effective means of assuring evenhandedness nationwide in the administration of the patent laws.” H.R. Rep. No. 97-312, at 22 (1981). *Florida Prepaid* reverses us back to this point.

<sup>233</sup> See *supra* note 256.

<sup>234</sup> See S. REP. NO. 102-280, at 31 (1992).

<sup>235</sup> *See id.*

<sup>236</sup> Where will the incentive go? It will be lost. Our society fosters a desire for efficiency, haste, and financial success, among other things. If none of these can be achieved in patenting an invention or another project, the incentive to pursue advanced technology and the like will be no longer. People will stop dedicating their time in developing such progressions.

<sup>237</sup> *See Healey, supra* note 213, at 1771.

<sup>238</sup> *Florida Prepaid*, 527 U.S. at 663, n.14, 51 U.S.P.Q.2d at 1096, n.14 (Stevens, J., dissenting). *See also* S. REP. NO. 102-280, at 32.

<sup>239</sup> Really, the majority may not have contemplated this result or any others, as it was mainly concerned with its constitutional authority and established standards. *See generally Florida Prepaid*, 527 U.S. at 648-65, 51 U.S.P.Q.2d at 1090-97. However, in the larger scheme of things, the results are dramatic.

<sup>240</sup> Lower courts have consistently found state universities to be considered arms of the State for Eleventh Amendment purposes. *See, e.g.*, *Chavez v. Arte Publico Press*, 59 F.3d 539, 35 U.S.P.Q.2d 1609 (5th Cir. 1995) (finding claims against state university press not barred by Eleventh Amendment); *Genentech, Inc. v. Eli Lilly & Co.*, 998 F.2d 931, 27 U.S.P.Q.2d 1241 (Fed. Cir. 1993) (finding Eleventh Amendment does not bar a suit against a state university).

<sup>241</sup> *See supra* notes 10 & 11.

<sup>242</sup> *See, e.g.*, *Princeton Univ. Press v. Michigan Document Serv., Inc.*, 99 F.3d 1381, 1384 (6th Cir. 1996) (finding that it is common practice for professional educators to create their course packets by photocopying copyrighted materials). Although this Casenote does not discuss copyright laws, often they are addressed with patents.

<sup>243</sup> *See supra* note 15.

<sup>244</sup> *See S. REP. NO. 102-280*, at 32.

<sup>245</sup> *See Florida Prepaid*, 527 U.S. at 651, n.3, 51 U.S.P.Q.2d at 1091, n.3 (Stevens, J., dissenting).

<sup>246</sup> *See id.*

<sup>247</sup> *See id.* at 628, 51 U.S.P.Q.2d at 1083 (holding the Patent Remedy Act to be invalid).

<sup>248</sup> *id.* at 651, n.3, 51 U.S.P.Q.2d at 1091, n.3. This Commission was created by a Congressional Act.

<sup>249</sup> *Id.* (Stevens, J., dissenting).

<sup>250</sup> *Id.*

251 *Id.*

252 *Id.* at 651, n.2, 51 U.S.P.Q.2d at 1091, n.2.

253 *Id.*

254 *See id.* (Stevens, J., dissenting).

255 *Id.* at 662, 51 U.S.P.Q.2d at 1096.

256 *Id.*

257 *Id.* at 647, 51 U.S.P.Q.2d at 1089-90.

258 *See supra* Part IV.B.

259 *See* Burt Neuborne, *The Myth of Parity*, 90 HARV. L. REV. 1105, 1116 (1977).

260 *Florida Prepaid*, 527 U.S. at 655-56, 51 U.S.P.Q.2d at 1092-94 (Stevens, J., dissenting). *See also supra* Part IV.B.

261 *Id.* at 642-43, 51 U.S.P.Q.2d at 1087-88. *See also supra* Part IV.B.

262 *Id.* at 657-58, 51 U.S.P.Q.2d at 1093-95 (Stevens, J., dissenting).

263 *Id.*

264 *Id.* at 644-45, 51 U.S.P.Q.2d at 1088.

265 *Id.* at 645, 51 U.S.P.Q.2d at 1088 (citing House Hearing at 38, statement by Professor Robert Merges).

266 *Florida Prepaid*, 527 U.S. at 644-45, 51 U.S.P.Q.2d at 1088.

267 *Id.*

268 Title 35, section 296 details the liability of States, instrumentalities of States, and State officials for infringement of patents. Specifically, subsection (a) of the statute provides the following:

In general. Any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his official capacity, shall not be immune, under the eleventh amendment of the Constitution of the United States or under any other doctrine of sovereign immunity, from suit in Federal court by any person, including any governmental or nongovernmental entity, for infringement of a patent under section 271, or for any other violation under this title.

35 U.S.C. § 296(a)(1994). *See supra* note 15 to read what 35 U.S.C. § 271 provides.

Subsection (b) specifically provides the following:

Remedies.-In a suit described in subsection (a) for a violation described in that subsection, remedies (including remedies both at

law and in equity) are available for the violation to the same extent as such remedies are available for such a violation in a suit against any private entity. Such remedies include damages, interest, costs, and treble damages under section 284, attorney fees under section 285, and the additional remedy for infringement of design patents under section 289. 35 U.S.C. § 296(b)(1994).

<sup>269</sup> See *Florida Prepaid*, 119 S. Ct. at 2212, 51 U.S.P.Q.2d at \_\_\_\_ (Stevens, J., dissenting). See also S. Rep. No. 102-280, 102nd Cong., 2nd Sess. at 33.

<sup>270</sup> See *Florida Prepaid*, 119 S. Ct. at 2214 n.7, 51 U.S.P.Q.2d at \_\_\_\_ (Stevens, J., dissenting). See also H.R. Rep. at 40 where Congress stated that, “[t]he Committee believes that the full panoply of remedies provided in the patent law should be available to patentees whose legitimate rights have been infringed by States or State entities.”

<sup>271</sup> See *Florida Prepaid*, 119 S. Ct. at 2209 n.8, 51 U.S.P.Q.2d at \_\_\_\_\_. See also *supra* note 247.

<sup>272</sup> See *Florida Prepaid*, 527 U.S. at 643 n.8, 51 U.S.P.Q.2d at 1088 n.8(outlining the possible avenues a patentee could take in drafting a state cause of action for patent infringement, such as alleging a general tort action, a restitutionary action, or a suit for deceit, unfair competition, or conversion).

<sup>273</sup> See *id.*

<sup>274</sup> See *id.*

<sup>275</sup> *Florida Prepaid*, 527 U.S. at 644, 51 U.S.P.Q.2d at 1088.

<sup>276</sup> See *supra* Parts II & IV for discussion of *Hans v. Louisiana*, 134 U.S. 1 (1890).

<sup>277</sup> *Florida Prepaid*, 527 U.S. at 634-35, 51 U.S.P.Q.2d at 1084-85.

<sup>278</sup> See *supra* Part V.

<sup>279</sup> This is also due to the lack of adequate remedies available in state courts. See *Florida Prepaid*, 527 U.S. at 656, 51 U.S.P.Q.2d at 1093 (Stevens, J., dissenting).

<sup>280</sup> The use of masculine pronouns is for simplicity purposes only.

<sup>281</sup> See *supra* note 16.

<sup>282</sup> See *supra* note 15 and Part IV.

<sup>283</sup> See *Florida Prepaid Postsecondary Educ. Expense Bd. v. College Sav. Bank*, 527 U.S. 627, 628, 51 U.S.P.Q.2d 1081, 1083.

<sup>284</sup> See *id.*

<sup>285</sup> See *supra* note 317.

286 *See Florida Prepaid*, 527 U.S. at 657-59, 51 U.S.P.Q.2d at 1093-95 (Stevens, J., dissenting).

287 *See generally Florida Prepaid*, 527 U.S. 627, 51 U.S.P.Q.2d 1081 (holding that the Patent Remedy Act is invalid. Thus, plaintiffs looking to sue states are foreclosed from doing so in federal courts, making the federal remedies available to them completely untenable).

288 *Id.* at 644 n.9, 51 U.S.P.Q.2d at 1088 n.9.

289 *See id.* at 2209 n.9, 51 U.S.P.Q.2d at \_\_\_\_.

290 *Id. See also* FLA. STAT. § 11.065 (1997).

291 *Florida Prepaid*, 527 U.S. at 644 n.9, 51 U.S.P.Q.2d at 1088 n.9.

292 *See id.* at 656-59, 51 U.S.P.Q.2d at 1093-94.

293 *See id.* at 655-59, 51 U.S.P.Q.2d at 1092-94.

294 *See, e.g.*, CONN. GEN. STAT. §§ 10-4f, 10a-110b (1997).

295 *See generally* CONN. GEN. STAT. (1997).

296 *See supra* note 317.

297 *See* CONN. GEN. STAT. §§ 48-17b, 52-97 (1997).

298 *See* CONN. GEN. STAT. § 48-17b (1997).

299 In order to fully understand the inadequacy of state remedies as compared to federal remedies, it is necessary to view the relevant text of the statute. Section 48-17b of the Connecticut General Statutes provides the following:  
The state court rendering a judgment for the plaintiff in an inverse condemnation proceeding brought against the state by the owner of real property, or the Attorney General effecting a settlement of any such proceeding, shall determine and award or allow to such plaintiff, as a part of such judgment or settlement, such sum as will in the opinion of the court or the Attorney General reimburse such plaintiff for his reasonable costs, disbursements and expenses, including reasonable attorney, appraisal and engineering fees, actually incurred because of such proceeding.  
CONN. GEN. STAT. § 48-17b (1997).

300 Conversion is defined as, “the wrongful possession or disposition of another’s tangible property as if it were one’s own.” BLACK’S LAW DICTIONARY 139 (Pocket Ed. 1996). *See also* CONN. GEN. STAT. § 52-97 (1997).

301 Again, the relevant text of the statute is necessary. Section 52-97 of the Connecticut General Statutes provides the following, in relevant part:  
In any civil action the plaintiff may include in his complaint both legal and equitable rights and causes of action, and demand both legal and equitable remedies; but, if several causes of action are united in the same complaint, they shall all be brought to recover,

either ... or (2) for injuries, with or without force, to person and property, or either, including a conversion of property to the defendant's use ....  
CONN. GEN. STAT. § 52-97 (1997).

302 *See generally* VERNON'S TEXAS STATUTES AND CODES ANNOTATED (West 1999).

303 *See, e.g.*, TEX. TRANSP. CODE ANN. § 201.205 (West 1999); TEX. NAT. RES. CODE ANN. §§ 51.083, 51.085 51.241 (West 1999); TEX. HEALTH & SAFETY CODE ANN. § 12.020 (West 1999).

304 *See generally* VERNON'S TEXAS STATUTES AND CODES ANNOTATED (West 1999).

305 *See* TEX. CIV. PRAC. & REM. CODE ANN. § 16.003, TEX. GOV'T CODE ANN. § 2007.044 (West 1999).

306 *See* TEX. CIV. PRAC. & REM. CODE ANN. § 16.003 (West 1999).

307 *See id.*

308 *See id.*

309 *See* TEX. GOV'T CODE ANN. § 2007.044 (West 1999).

310 In order to fully understand the inadequacy of state remedies as compared to federal remedies, it is necessary to view the relevant text of the statute. Section 2007.044 of the Texas Government Code provides the following:

A private real property owner affected by a governmental action taken without the preparation of a takings impact assessment as required by this subchapter may bring suit for a declaration of the invalidity of the governmental action.

The court shall award a private real property owner who prevails in a suit under this section reasonable and necessary attorney's fees and court costs.

TEX. GOV'T CODE ANN. § 2007.044 (West 1999).

311 *See supra* Part IV.B.

312 *See supra* Part IV.

313 Florida Prepaid Postsecondary Educ. Expense Bd. v. College Sav. Bank, 527 U.S. 627, 650, 51 U.S.P.Q.2d 1081, 1091 (1999).

314 *Id.* at 628-29, 51 U.S.P.Q.2d at 1082-83.

315 *See supra* Parts IV-VI.

316 *See supra* Part IV.B.

317 *See* Healey, *supra* note 213 at 1776.

318 The inconsistency being all of the different states' laws.

319 *See supra* Part IV.B. The constitutional violations being that patent owners were deprived of their property without due process of law guaranteed by the Fourteenth Amendment and afforded no adequate remedies to compensate.

320 *See Florida Prepaid*, 527 U.S. at 664-65, 51 U.S.P.Q.2d at 1097 (Stevens, J., dissenting).

321 *Id.*

322 *Id.*

323 *Id.* The dissent here noted that the declined invitations were extended to state attorney generals and representatives of state universities. *See id.* *See also* H. R. REP. NO. 101-960 at 7 (1990).

324 Burt Neuborne, *The Myth of Parity*, 90 HARV. L. REV. 1105, 1130 (1977).

325 *Id.*

326 *Id.*

327 *Id.*

328 *Id.*

329 *See supra* Part IV.A.

330 *See supra* Part V.

331 *See supra* Part IV.A.