

The Opinion and The Decree



**Read before the Patent Law Association of Pittsburgh,
February 18, 1941**

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**By
BAYARD H. CHRISTY**

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Gentlemen:

I have nothing new, nothing astonishing, to bring before you. Indeed, all that I have to say must seem to some of you, and may seem to all of you, trite and commonplace.

I wish to draw the fine line of distinction between opinion and decree; between judge and court; between the reasoning of a mind and the fiat of an institution. It is the function of the judge to find, The defendant does not infringe; it is the function of the court to declare, The bill is dismissed.

It was on reading and thinking upon a rather recent opinion of the Supreme Court that I was led to look into the matter more carefully.

The case was one that went up by certiorari, because of an alleged conflict of decision.

In an earlier case in the ninth circuit¹ the trial court had entered a decree, finding the patent in suit valid, but not infringed. The defendant had appealed and had renewed in the appellate court his attack upon the validity of the patent. It was urged against him that he should not be heard; that, successful below, no ground of appeal remained to him. The court of appeals was of the opinion that the decree was compelling upon the defendant; that its fiat of validity was conclusive; that in the event of future litigation, he would be estopped: no longer could he raise the question of validity. The court, accordingly, recognized a right remaining in such case, even to a successful defendant, to appeal and urge before the

¹ *Oliver-Sherwood Co. v. Patterson*, 95 F (2d) 70.

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appellate court the invalidity of the patent. And the court proceeded to consider the question of validity, and it found the patent invalid. In consequence, the decree was revised, and, in addition to dismissal of the bill, the patent was decreed to be invalid.

Before turning from that case in the ninth circuit, it is proper to say, parenthetically, that I have for the purposes of this discussion simplified greatly. The plaintiff in that case also appealed, and the question presented itself whether, regardless of what defendant had attempted, the issue of validity were not by plaintiff's own appeal fairly before the appellate court. The plaintiff urged that it was not: that the decree below was final on the issue of validity, and that the issue of infringement alone was raised. And the court itself observed that the defendant's standing deserved attention, since in such case a plaintiff, having appealed, might withdraw its appeal. So that, even after following through the complexities of the situation, the court still was confronted with the question, what to do with a decree that established at once, both the validity of the patent, and the fact of non-infringement.

The same question came before the court of appeals in the second circuit², and that court took the opposite view. It said, 'we cannot hold that under this decree the defendants are estopped from contesting again the validity of the claim,' and it dismissed the appeal, on the familiar doctrine that 'a party may not appeal from a decree which terminates in his favor the entire cause of action.'

It was this second circuit case that went up by certiorari.³

It may seem strange that on a point of such apparent

² *Thomas & Betts Co. v. Electrical Fittings Corp.*, 100 F. (2d) 403.

³ *Electrical Fittings Corp. v. Thomas & Betts Co.*, 307 U. S. 241.

simplicity courts of appeal should find themselves in contrariety, so that the overruling power of the Supreme Court must be invoked; but, if the courts could get themselves so entangled, certainly the disentangling should be worth a moment's attention. And this is what the Supreme Court said—

A party may not appeal from a judgment or decree in his favor, for the purpose of obtaining a review of findings he deems erroneous which are not necessary to support the decree. But here *the decree itself purports to adjudge the validity* of claim 1, and though the adjudication was immaterial to the disposition of the cause, it stands as an adjudication of one of the issues litigated. We think the petitioners were entitled to have this portion of the decree eliminated, and that the Circuit Court of Appeals had jurisdiction, as we have held this court has, to entertain the appeal, not for the purpose of passing on the merits, but to *direct the reformation of the decree*.

The judgment is reversed, and the cause is remanded to the Circuit Court of Appeals with instructions to entertain the appeal and direct the District Court to reform its decree in accordance with the views herein expressed.

That is to say, a decree of court is not lightly to be received, nor may its provisions, though deemed unnecessary, be disregarded. Thusfar the court in the ninth circuit was right and the court in the second circuit was wrong.

A successful defendant may not appeal and argue again an issue collateral to that upon which the bill was dismissed. Thusfar the court in the second circuit was right and the court in the ninth circuit was wrong.

Nevertheless, the defendants in both of the two cases

had standing in the appellate court, and the court had jurisdiction, not to pass on the merits, but to reform the decree.

In both cases the decree dismissing the bill contained adjudication of validity of the patent. That adjudication of validity, since it was immaterial to the disposition of the cause, was superfluous, improper, and should be eliminated.

With interest aroused I did some looking-up of cases, and came on this dissertation by Judge McDermott, in the tenth circuit⁴: a dissertation that seems sound—

But findings of fact are not part of a decree. Equity Rule 71 [now superceded by Civil Procedure Rule 54] provides that neither the pleadings, report of the master, nor any prior proceeding, shall be recited in the decree; that the decree should contain *only what the court decrees to be done or not to be done*. The decree need only “point out with precision what is to be done, when, where and by whom and to or from whom.” [citing authorities] “Findings of fact have no place in a decree in a national court. Rule 71 . . . prescribe[s] the form for decrees, and although it does not in express terms prohibit the inclusion of findings of fact in the decree, it does so by necessary implication. Only, if it is necessary to make the decree more clear and specific, is it proper to include findings of fact in the decree [cases cited]” [quoted from Trieber, J. speaking for the court of appeals in the eighth circuit.] That the decree in the present case is general in terms does not change the rule; with a decree like this, resort to findings or other parts of the record is imperative to discover what was decided; that such is the case does not, however, make the findings a part of the decree.

⁴ *Larkin Co. v. Hinderliter*, 60 F. (2d) 491, 494.

In short, I conceive the difficulties that have arisen here are difficulties created by lawyers, primarily. When one of us is successful in persuading a court to say that the patent he has brought suit upon is valid, he is eager that the decree shall beatify his patent. Particularly is he eager, if in other respects he has failed. It is he who injects into the decree the sanctifying words; and the court may easily be of a mind so far to humor him. But it should not. The decree should read, either The complaint is dismissed; or that such a claim of such a patent is valid and infringed, and direct accounting.

The decree may be in the affirmative, directing relief, or in the negative, dismissing the bill. If affirmative, it is binding upon the defendant, both with respect to the validity of the patent and with respect to the fact of infringement. If in the negative, the decree may rest either upon a finding of invalidity, or upon a finding of non-infringement, or a finding of both invalidity and non-infringement. Obviously, if the decree rests upon a single finding, either of invalidity or of non-infringement, that point is settled. The plaintiff may not thereafter, within the jurisdiction of the court that has made or sustained the finding, sue again upon the patent held invalid, or renew against defendant the same charge of infringement. But suppose the decree rests upon the double finding of invalidity and non-infringement. What then? It is plain that the plaintiff may not in such case renew against defendant the same charge of infringement; but may he again within the jurisdiction bring suit upon the patent? It would seem that he should not.

Is there, then, any choice as between the issues in an infringement suit? Should a judge give preference to one defense over another? I turned to Walker on Patents.

I remember Mr. Walker very well. Perhaps some of

you remember him too. A dapper little man with a consciousness of dignity that expressed itself oddly in silver shoe-buckles, but his head too shone with intelligence. This is what I found Walker to be saying⁵—

Where the defense of non-infringement is thus found, it is proper and generally preferable to select that defense as the one upon which to base the decision for the defendant. The reason for this preference is the consideration that the question of the validity of a patent ought not to be adjudicated in the affirmative, in a case where the defendant, by reason of non-infringement thereof, has no adequate motive to hunt up and lay before the court all the facts which relate to that question. But where a record does contain evidence enough to establish the invalidity of a patent, it is both proper and expedient to base a decision for the defendant on that ground, even where the defense of non-infringement is also established by the record; because the public has a right to be judicially told that a void patent is void, whenever that conclusion is established by evidence presented in a litigated case.

It remains only to note a few cases, taken almost at random, to illustrate the adequate and proper content of an opinion.

In the Eastern District of Pennsylvania Judge McPherson in deciding a case after trial said⁶—

Much testimony was taken upon two questions that I do not find it necessary to decide, namely, whether, in view of the prior art, the complainant's machine exhibits patentable novelty; and whether one Lewis Jones, who is not joined as a party com-

⁵ A Treatise on the Law of Patents for Inventions, by Albert H. Walker. §685.

⁶ *McMichael v. Ruth*, 123 F. R. 888, 890.

plainant, is the owner of a one-third interest in the patent. It seems to me that the case must be decided against the complainant on the question of infringement, and therefore that no other question demands attention.

In a case that arose in the ninth circuit the trial judge had reached conclusions of law (1) that the patent was entitled to the benefit of a doubt on the question of validity, but (2) that it was not infringed. The decree recited that the court had filed its memorandum opinion, its findings and conclusions of law, and it ordered, "That the defendants have not infringed."

The plaintiff sued out a writ of mandamus⁷ from the court of appeals, to compel the trial judge to pass upon issues of fact that, raised by the pleadings, he had passed over. The petitioner urged that specific findings now would anticipate any necessity of remanding the case. The appellate court said—

It may be conceded that in this case and all infringement cases it is a decided advantage to have the views of the trial judge upon the entire question, and particularly in cases of non-infringement the ground upon which the trial court finds non-infringement. The rule does not require this to be done Where the trial court has filed its findings of fact and conclusions of law, a mandamus should not issue for the purpose of correcting or extending these findings.

In a recent case in Illinois⁸ the trial judge (Barnes) speaking from the bench, said—

. . . . the court is of the opinion that the defendant has proven that it does not infringe.

⁷ *Parker v. St. Sure*, 53 F. (2d) 706.

⁸ *Renette v. Ford*, 47 U. S. P. Q. 245.

Because the court may be mistaken on the question of infringement and because if the court is mistaken on that question it is desirable that there be in the record some expression of the court's views on the question of validity, the court will say what it thinks about the validity of Claim 1.

The court proceeded to analyse and state the reasons why it regarded the claim as invalid.

Returning from this digression to the point that was to be established, it is this: The decree of court should 'point out with precision what is to be done, when, where and by whom and to or from whom,' and stop. It should go no farther. The findings of the court, upon which the disposal of the case rests, should not be recited in the decree; and if findings collateral to that upon which the disposal of the case rests be included in the decree, the inclusion is error; and even the successful party has access to the court of appeals, and the court of appeals has jurisdiction, to correct the error.