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I. INTRODUCTION

The goals of United States patent and antitrust laws simultaneously complement each other and coexist with a degree of tension.[1] Broadly, the goal of United States patent jurisprudence is to provide inventors with the right to exclude others from making, using, importing, selling, and offering for sale their claimed invention in the United States.[2] This right is often

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1. Robin Feldman, *Patent and Antitrust: Differing Shades of Meaning*, VA. J.L. & TECH., Spring 2008, at 1, 2, 4; *see* R. Hewitt Pate, Address at the American Intellectual Property Law Association 2003 Mis-Winter Institute (Jan. 24, 2003) (transcript available on the Department of Justice website) (quoting American Intellectual Property Law Association President Ronald Myrick, saying "I do not believe that the relationship between the IP laws and the antitrust laws is out of balance").

2. *Patents*, WORLD INTELL. PROP. ORG., https://www.wipo.int/patents/en/ (last visited Nov. 22, 2023) [hereinafter *WIPO Patents*].

confused with an exclusive, affirmative right to make, use, sell, offer for sale, and import an invention, which is not the case.[3] Rather, the rights allow patentholders the discretion to assert their rights against alleged infringers.[4] In addition to allowing patentholders to protect their intellectual property, patent laws benefit the public.[5] The laws encourage innovation, prompting advances in new products, methods, and processes, which are disclosed to the public which in turn uses those new inventions to progress society.[6]

Similarly, United States antitrust law seeks to protect and promote the competitive market for consumers and to provide incentives to businesses that operate efficiently while maintaining high quality goods at low prices for those consumers.[7] In this way, there is an inherent tension between patent and antitrust laws as a patentholder has the right to prevent others from infringing their intellectual property rights, effectively acting as a gatekeeper for a market space.[8] Though this is permissible by law, certain instances of fraud, misrepresentation, or inequitable conduct can lead to the dissolution of one's patent rights.[9]

The Walker Process Doctrine addresses this tension.[10] In patent infringement cases, alleged infringers may use the doctrine in a

3. *Inventions and Patents*, WORLD INTELL. PROP. ORG., https://www.wipo.int/export/sites/www/sme/en/documents/pdf/ip_panorama_3_learning_points.pdf (last visited Nov. 22, 2023).

4. PETER S. MENELL ET AL., PATENT CASE MANAGEMENT JUDICIAL GUIDE 14-5 (3d ed. 2016).

5. PETER S. MENELL ET AL., INTELLECTUAL PROPERTY IN THE NEW TECHNOLOGICAL AGE: 2021 – VOLUME I: PERSPECTIVES, TRADE SECRETS AND PATENTS 243 (2021) (stating that a useful invention is one "which may be applied to a beneficial use in society" (quoting Brenner v. Manson, 383 U.S. 519, 520 (1966))); *id.* at 14-7 (comparing a patent to a contract, where the consideration that the public receives is the disclosure of a detailed description of the patented invention).

6. *Economic Benefits of the Patent System*, AUSTRALIAN L. REFORM COMMISSION (Feb. 8, 2010), https://www.alrc.gov.au/publication/genes-and-ingenuity-gene-patenting-and-human-health-alrc-report-99/2-the-patent-system/economic-benefits-of-the-patent-system/#:~:text=2.17%20The%20economic%20benefits%20of,the%20efficient%20use%20of%20resources.

7. *The Antitrust Laws*, FTC, https://www.ftc.gov/advice-guidance/competition-guidance/guide-antitrust-laws/antitrust-laws (last visited Nov. 22, 2023).

8. *See WIPO Patents*, *supra* note 2; *Inventions and Patents*, *supra* note 3.

9. *See* MENELL ET AL., *supra* note 4, at 2-44 to 2-45 (defining inequitable conduct related to the patent laws and describing its impact on a patentee's rights).

10. Herbert J. Hovenkamp, *The Walker Process Doctrine: Infringement Lawsuits as Antitrust Violations*, ALL FACULTY SCHOLARSHIP, Aug. 2008, at 1, 2, https://scholarship.law.upenn.edu/faculty_scholarship/1784/#:~:text=Antitrust%20law's%20Walker%20Process%20doctrine,an%20unlawful%20attempt%20to%20monopolize.

counterclaim, in declaratory judgment actions, or even in Sherman Act cases.[11] The doctrine allows a patent infringement defendant to show that a patent infringement lawsuit has been improperly asserted and that the patentholder's filing of the suit violates antitrust laws.[12] The defendant must show that the patentholder filed the infringement suit in order to unlawfully monopolize or attempt to monopolize the market space.[13]

Through the Federal Courts Improvement Act of 1982 ("1982 Act"), Congress established the United States Court of Appeals for the Federal Circuit ("Federal Circuit").[14] In accordance with the 1982 Act, several provisions in Title XXVIII of the United States Code were amended to articulate the jurisdiction of the newly formed court.[15] Specifically, the Federal Circuit was granted exclusive jurisdiction over appeals in any civil action arising under any acts of Congress concerning patents.[16] Since the Walker Process Doctrine envelops both patent laws and antitrust laws, cases involving Walker Process claims are often appealed to the Federal Circuit.[17]

However, the Federal Circuit maintains that it does not have exclusive jurisdiction over all Walker Process appeals.[18] There is an ongoing dispute between the regional circuit courts and the Federal Circuit over who has proper jurisdiction over Walker Process appeals under the jurisdictional statutes and the Federal Circuit's precedent.[19] A large portion of the dispute concerns the interpretation of Walker Process appeals jurisdiction after the Supreme Court's holding in *Gunn v. Minton*.[20]

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11. *Id.*

12. *Id.*

13. *Id.* at 3.

14. *See generally* Federal Courts Improvement Act of 1982, Pub. L. No. 97-164, 96 Stat. 25 (1982).

15. *Id.* at 37–39.

16. 28 U.S.C. § 1295(a)(1) (2012); J. Thomas Rosch, *Patent Law and Antitrust Law: Neither Friend nor Foe, but Business Partners*, 13 SEDONA CONF. J. 94, 102 (2012); *Court Jurisdiction*, U.S. CT. APPEALS FED. CIR., https://cafc.uscourts.gov/home/the-court/about-the-court/court-jurisdiction/ (last visited Nov. 22, 2023).

17. *See generally* Nobelpharma AB v. Implant Innovations, Inc., 141 F.3d 1059, 1068 (Fed. Cir. 1998).

18. Bryan Lammon, *The Continuing Fifth Circuit-Federal Circuit Fight Over Walker Process Appeals*, FINAL DECISIONS (Aug. 16, 2022), https://finaldecisions.org/the-continuing-fifth-circuit-federal-circuit-fight-over-walker-process-appeals/; Samantha Handler, *Judicial 'Ping-Ponging' Over Patent-Antitrust Disputes Heats Up*, BLOOMBERG L. (Sept. 13, 2022, 5:10 AM), https://www.bloomberglaw.com/bloomberglawnews/ip-law/X1JDDGFS000000?bna_news_filter=ip-law.

19. Lammon, *supra* note 18; Handler, *supra* note 18.

20. 133 S. Ct. 1059, 1068–69 (2013); *see* Chandler v. Phoenix Servs. LLC, 1 F.4th 1013, 1015–17 (Fed. Cir. 2021).

This Comment will begin by offering a brief history of the relevant cases and legislation to show how the jurisdictional dispute receded initially but has become inflamed. In doing so, it will describe what the Walker Process Doctrine is and explain the jurisdictional state of the Federal Circuit. Next, this Comment will examine the impact *Gunn v. Minton* has had on the scope of the Federal Circuit's jurisdiction, the support and criticisms of Federal Circuit jurisdiction over Walker Process appeals, and how the *Grable* test plays into this issue. To do this, it will focus on how the jurisdictional analysis changed after *Gunn* and will discuss where each court's argument for and against jurisdiction has merit and where it falters. To advance a solution, this Comment will recommend a compromise for determining Federal Circuit jurisdiction over Walker Process appeals.

II. PUTTING A BAND-AID ON BROKEN WALKER PROCESS DOCTRINE APPEALS

Through the 1982 Act, Congress established the Federal Circuit and granted the Federal Circuit exclusive jurisdiction over patent appeals.[21] The statutes outlining patent-relevant federal court and Federal Circuit jurisdiction include 28 U.S.C. § 1295, 28 U.S.C. § 1331, and 28 U.S.C. § 1338.[22] Section 1295 dictates the Federal Circuit's exclusive jurisdiction, § 1331 covers federal question jurisdiction, and § 1338 prescribes the rules for district court jurisdiction.[23]

28 U.S.C. § 1331 involves federal question jurisdiction and grants district courts "original jurisdiction of all civil actions arising under the Constitution, laws, or treaties of the United States."[24] 28 U.S.C. § 1338 addresses federal district court jurisdiction over cases involving patents, copyrights, trademarks, and unfair competition.[25] Specifically, § 1338 states that district courts have original jurisdiction in civil actions arising under acts of Congress relating to patents.[26] Additionally, under § 1338, state courts cannot have jurisdiction over claims of relief arising under the patent laws.[27] Further, the statute states that district courts have original jurisdiction on matters involving claims of unfair competition when there is also a related

21. Federal Courts Improvement Act of 1982, Pub. L. No. 97-164, 96 Stat. 25 (1982).

22. *See* 28 U.S.C. § 1295(a)(1) (2012); 28 U.S.C. § 1331 (2022); 28 U.S.C. § 1338 (2011).

23. *See* 28 U.S.C. § 1295(a)(1) (2012); 28 U.S.C. § 1331 (2022); 28 U.S.C. § 1338 (2011).

24. 28 U.S.C. § 1331 (2022).

25. 28 U.S.C. § 1338 (2011).

26. *Id.*

27. *Id.*

and significant intellectual property law claim that implicates antitrust issues.[28] Section 1338 primarily serves to determine whether an action falls under the jurisdiction of the state or federal district courts.[29] Section 1295(a)(1) states that the Federal Circuit has exclusive jurisdiction over appeals from district court decisions in all civil actions arising under acts of Congress related to patents.[30]

Though the statutes address discrete issues of jurisdiction, they collectively establish a system of jurisdiction for patent disputes.[31] Although § 1295 specifically addresses which matters may implicate Federal Circuit jurisdiction and § 1338 deals more with determining whether a matter should be heard in state or federal court, their shared history and language leads them to be read similarly and at times viewed together.[32]

The judicial understanding of the interconnectedness of the three statutes has shifted over time and contributed to the uncertainty of Walker Process appeal jurisdiction.[33] The Walker Process Doctrine focuses on an overlap of United States patent laws and antitrust laws.[34] Although antitrust law focuses on promoting competition, patent law focuses on promoting innovation and allows patentholders to assert their intellectual property rights in the form of the right to exclude others from selling, offering to sell, using, making, and importing the patented technology in the United States.[35] Because patentholders can enforce this right against alleged infringers, those that hold more intellectual property may dominate a market space and hold more power over competitors that have less or no intellectual property.[36]

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28. *Id.*

29. *See* Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 442 (5th Cir. 2019); Gunn v. Minton, 568 U.S. 251, 255, 257 (2013).

30. 28 U.S.C. § 1295(a)(1) (2012).

31. *See id.*; 28 U.S.C. § 1331 (2018); 28 U.S.C. § 1338 (2011).

32. *See* § 1295(a)(1); § 1338; *Xitronix*, 916 F.3d at 442–43.

33. *See Xitronix*, 916 F.3d at 442–43 (explaining that the holding in *Christianson v. Colt Indus. Operating Corp.* linked § 1295, § 1331, and § 1338 together, and § 1295 referred directly to § 1338, but § 1295 was later amended to stand by itself); *see also* Christianson v. Colt Indus. Operating Corp., 486 U.S. 800 (1988).

34. Hovenkamp, *supra* note 10, at 2.

35. *Economic Benefits of the Patent System*, *supra* note 6; *Inventions and Patents*, *supra* note 3.

36. *See* Ian Ayres & Paul Klemperer, *Limiting Patentees' Market Power Without Reducing Innovation Incentives: The Perverse Benefits of Uncertainty and Non-Injunctive Remedies*, 97 MICH. L. REV. 985, 986–92 (1999) (advocating for a revised patent regime in which a patentee's market power is reduced by implementing a reduction in monopoly prices of the patented invention or by lengthening patent life while keeping expected profit constant to shorten the time consumers must pay monopolistic prices). *But see* U.S. DEP'T OF JUST. & FTC, ANTITRUST GUIDELINES FOR THE LICENSING OF INTELLECTUAL PROPERTY (2017),

Thus, companies with a lot of intellectual property can potentially take over a market space, creating a barrier to entry for others that wish to enter the space.[37] However, in some industries, such as telecommunications, patentholders are often incentivized or compelled to license their patented technology.[38] The technologies, often categorized as standard essential patents, are licensed to others under fair, reasonable, and non-discriminatory terms to promote competition.[39]

The Walker Process Doctrine may be implicated after a patentholder files an action seeking damages for patent infringement.[40] The alleged infringer may use the doctrine to counterclaim, arguing that they did not infringe the patent because the patent was improperly procured in the first place.[41] Unlawful or fraudulent procurement would invalidate the patent and render it unenforceable.[42] If the patentholder had knowledge of the fraudulent procurement and knowingly filed the action as an attempt at monopolization of its market space, the patentholder can be held liable for antitrust violations.[43]

The Walker Process Doctrine originated in the 1965 case *Walker Process Equipment, Inc. v. Food Machinery and Chemical Corp.*,[44] where the Supreme Court considered whether the maintenance and enforcement of a fraudulently procured patent can be the basis of antitrust liability under the Sherman Antitrust Act and the Clayton Act.[45] Here, Food Machinery filed suit against Walker for infringement of its patent, but Walker denied the allegations and counterclaimed for declaratory judgment, arguing the patent

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https://www.justice.gov/atr/IPguidelines/download (stating that federal agencies do not presume that patents create market power).

37. *Business Terms Glossary: Barriers to Entry Definition*, ZENBUSINESS (Nov. 14, 2022), https://www.zenbusiness.com/barriers-to-entry-definition/#:~:text=Patents%20are%20one%20example%20of,patent%20holder's%20rivals%20to%20compete.

38. Natalie Alfaro Gonzales, *Applying Antitrust Liability to Standard Essential Patent Conduct*, BAKER BOTTS (Feb. 2022), https://www.bakerbotts.com/thought-leadership/publications/2022/february/applying-antitrust-liability-to-standard-essential-patent-conduct.

39. *Id.*

40. Hovenkamp, *supra* note 10, at 1–3.

41. *Id.*; *see also* Walker Process Equip., Inc. v. Food Mach. and Chem. Corp., 382 U.S. 172, 176–78 (1965); Ritz Camera & Image, LLC v. Sandisk Corp., 700 F.3d 503, 506 (Fed. Cir. 2012).

42. *See* Hovenkamp, *supra* note 10, at 1–3; *see also Walker Process*, 382 U.S. at 176–78.

43. Hovenkamp, *supra* note 10, at 1–3; *Walker Process*, 382 U.S. at 176–78.

44. 382 U.S. 172 (1965).

45. *Id.* at 174–75.

was not valid.[46] Walker later amended its counterclaim, alleging that Food Machinery violated antitrust laws by illegally obtaining a monopoly through fraudulent procurement and maintenance of its patent, knowing it should not have been granted the patent in the first place.[47] Walker further asserted that by engaging in such fraudulent business practices, Food Machinery deprived Walker of business.[48] The Court concluded that fraudulently procuring a patent through the United States Patent and Trademark Office ("USPTO") and enforcing the improperly obtained patent may be a violation of the Sherman Antitrust Act.[49]

In response to the issues in *Walker*, the Court created the Walker Process Doctrine, which says that a patentholder can be held accountable under the antitrust laws if he procures a patent through deliberate fraud on the USPTO and uses the improperly obtained patent to build or maintain a monopoly, provided certain conditions are met.[50] The violation may hinge both on the existence of evidence that there was fraud in the application to the USPTO and that elements of a Sherman Act violation are present.[51] The case demonstrates that, under specific circumstances, an alleged infringer can attack the misuse of patent rights in an overlapping antitrust context.[52] The case further sets forth a rule that if, but for a patent, an action for monopolization would violate section 2 of the Sherman Act, then section 4 of the Clayton Act may also be at issue.[53] The action may be maintained under section 4 of the Clayton Act if elements of a section 2 charge can be proved and if the patent was obtained by knowing and willful fraud on the patent office.[54] For cases where the defendant did not apply for the patent, a showing that the defendant has been enforcing the patent despite having knowledge of the fraudulent activity is sufficient.[55]

A Walker Process Doctrine issue appeared again in *Christianson v. Colt Industrial Operating Corp.*,[56] where a jurisdictional battle took place between the Federal Circuit and the United States Court of Appeals for the

46. *Id.*
47. *Id.* at 173–74.
48. *Id.* at 174.
49. *Id.* at 173.
50. Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1195 n.1 (Fed. Cir. 2018); *id.* at 173–77.
51. *Walker Process*, 382 U.S. at 173–77.
52. *See id.* at 178.
53. *Id.*
54. *Id.*
55. *Id.* at 177–78.
56. 486 U.S. 800 (1988).

Seventh Circuit.[57] Each court was adamant that they did not have jurisdiction, and the case and parties were bounced between the courts until the Federal Circuit gave in to hear the case.[58] Later, the Supreme Court granted certiorari and emphasized the significance of 28 U.S.C. § 1295(a)(1) and 28 U.S.C. § 1338(a) and their "arising under" language while noting the importance of a well-pleaded complaint.[59]

On the jurisdictional issue, the Supreme Court held that jurisdictional uncertainty should be resolved quickly to prevent harm to the public confidence in the judiciary and to prevent the waste of resources and the court's time on jurisdictional disputes.[60] To efficiently resolve jurisdictional disputes in these cases and accomplish this goal, the Supreme Court proposed adhering to the law-of-the-case principles.[61] The Court expounded on this, explaining that if one court transfers a case to another and the transferee court cannot conclude that the decision to transfer is implausible, then the transferee court must accept the case.[62] While this approach was successful in *Christianson* and is a seemingly simple means of deciding jurisdiction, it simply papers over a problem that deserves a clearer standard.[63] As described in *Christianson*, the law-of-the-case doctrine generally suggests that that which has been decided should continue to govern equivalent issues in future stages of the same case.[64] From *Christianson* until *Gunn v. Minton*, the Federal Circuit accepted jurisdiction over many Walker Process appeals, creating the appearance that the court had resolved the jurisdictional issue.[65]

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57. *Id.* at 806–07.

58. *Id.*

59. *Id.* at 807 (explaining that matters arising under federal patent law means matters where a well-pleaded complaint establishes either that the action is a result of the federal patent law or that settlement of a significant question of federal patent law is needed to determine a party's right to relief, and where patent law is a necessary element of the well-pleaded claims).

60. *Id.* at 819.

61. *Id.* at 816–19.

62. *Id.* at 819.

63. *See id.* at 818–19.

64. *Id.* at 815–16 (citing Arizona v. California, 460 U.S. 605, 618 (1983)) (predicting that without law-of-the-case principles, courts may continue to revisit transfer decisions, putting litigants at risk of an overly long circle of litigation).

65. *See, e.g.*, Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 437 (5th Cir. 2019); Ritz Camera & Image, LLC v. Sandisk Corp., 700 F.3d 503, 507–08 (Fed. Cir. 2012); Nobelpharma AB v. Implant Innovations, Inc., 141 F.3d 1059, 1073 (Fed. Cir. 1998); Lammon, *supra* note 18 (pointing out that a lack of certainty over proper jurisdiction has potential to lead practitioners astray, where they may opt to file in a court opposite where they want the action heard, knowing it will be transferred).

Nobelpharma AB v. Implant Innovations, Inc.[66] was another Walker Process Doctrine case heard by the Federal Circuit that added to the jurisdictional confusion.[67] In that case, the Federal Circuit held where an issue clearly involves the Federal Circuit's exclusive jurisdiction, it is appropriate for the court to apply its own law rather than rely on regional circuit precedents to resolve the issue.[68] Such issues implicating the Federal Circuit's jurisdiction include antitrust claims filed to strip a patentee of their immunity from antitrust liability.[69] These types of claims are often asserted as counterclaims in patent infringement suits.[70] The court states that the Federal Circuit is best suited to create a body of federal law on subjects impacting its exclusive jurisdiction, and in doing so, the court aims to avoid any confusion that might arise as a result of applying regional law and precedent.[71] However, the Federal Circuit's holding has confused regional circuit courts, which have interpreted the holding to mean that the Federal Circuit has exclusive jurisdiction over those issues.[72]

Beyond dictating which law applies, the court in *Nobelpharma* addressed the issue of patentee antitrust liability in an infringement action.[73] The court stated that a patentholder asserting his intellectual property rights in a patent infringement suit can be liable for an antitrust violation.[74] To be held liable for the antitrust violation, the defendant must prove the patentholder knew the allegedly infringed patent was obtained by fraud or that the infringement action is a sham meant only to interfere with the defendant's business.[75]

The court further dives into fraud and inequitable conduct, concluding that fraud is a more serious offense and that it is important to distinguish between inequitable conduct and Walker Process fraud.[76] Inequitable conduct is a broader and more inclusive offense than common law fraud, which is the

66. 141 F.3d 1059 (1998).

67. *See id.* at 1068.

68. *See id.* (explaining that cases questioning whether the conduct of an applicant at the USPTO rise to a level that is sufficient to take away a patentee's antitrust immunity shall be decided according to Federal Circuit law).

69. *Id.* at 1067.

70. *Id.*

71. *Id.* at 1068.

72. *See id.* at 1068; Chandler v. Phoenix Servs. LLC, 1 F.4th 1013, 1017 (Fed. Cir. 2021); Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1199 (Fed. Cir. 2018) (Newman, J., dissenting).

73. *Nobelpharma*, 141 F.3d at 1071.

74. *Id.* at 1070.

75. *Id.* at 1071 (describing a sham lawsuit as being one which is "objectively baseless and subjectively motivated by a desire to impose collateral, anti-competitive injury rather than to obtain a justifiable legal remedy").

76. *Id.* at 1069–71.

threshold for the Walker Process Doctrine.[77] Fraud is often viewed as conduct so unacceptable that it alone could be the basis for an action.[78] It requires false representation of a material fact, intent to deceive, reasonable reliance by the receiver, and an injury as a result of such reliance.[79] Inequitable conduct, on the other hand, is inclusive of less serious offenses and exists when there is a failure to satisfy each of the above five elements of common law fraud.[80] Fraudulent conduct is generally directly injurious to the party involved, but it can have lasting effects on third parties as well.[81]

With regard to patent infringement, a defendant that asserts and can prove inequitable conduct will be able to defend against infringement.[82] Further, a defendant that successfully asserts fraud in procuring the patent may avoid infringement charges while holding the patentholder liable for any antitrust violations.[83] Specifically, for the Walker Process fraud, there must be clear showings of both deceptive intent and reliance such that but for the fraudulent conduct, the patent would not have been granted to the applicant.[84] Walker Process liability is based on a patentholder asserting their intellectual property rights despite having knowledge that the patent they are enforcing was fraudulently obtained.[85] In accordance with 28 U.S.C. § 1338, this type of fraud is subject to the exclusive jurisdiction of the federal court system because fraudulent activity before the USPTO is a substantial patent law issue.[86]

Appearance of additional Walker Process appeals and the Federal Circuit's acceptance of those appeals gave the appearance of a resolution of the jurisdictional issue originating in *Christianson*.[87] However, this apparent

77. *Id.* at 1069.

78. *Id.* at 1069–70.

79. *Id.*

80. *Id.* at 1070.

81. *See id.* ("Where fraud is committed, injury to the public through a weakening of the Patent System is manifest." (quoting Norton v. Curtiss, 433 F.2d 779, 796 (C.C.P.A. 1970))).

82. *Id.*

83. *Id.*

84. *Id.* at 1071.

85. *Id.*

86. *In re* Ciprofloxacin Hydrochloride, 544 F.3d 1323, 1330 n.8 (Fed. Cir. 2008); *see also* 28 U.S.C. § 1338 (2011); Christianson v. Colt Indus. Operating Corp., 486 U.S. 800, 807–08 (1988).

87. *See generally* Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429 (5th Cir. 2019); Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075 (Fed. Cir. 2018); Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1202 (Fed. Cir. 2018) (Newman, J., dissenting) (hinting at the seeming stability of Walker Process appeal jurisdiction); Gunn v. Minton, 568 U.S. 251 (2013).

clarity started to falter in 2013 as the Federal Circuit and regional courts of appeal differed in their interpretation of the holding in *Gunn v. Minton*.[88] In 2013, the Supreme Court heard *Gunn* which, although not a Walker Process Doctrine case, involved the issue of district court jurisdiction under 28 U.S.C. § 1338.[89] Due to the linkages between 28 U.S.C. § 1338 and 28 U.S.C. § 1295(a)(1), the Federal Circuit and regional circuit courts disagree over interpretation of the Supreme Court's holding in *Gunn*, rekindling the jurisdictional dispute over Walker Process appeals.[90] *Gunn* involves a malpractice suit in the state courts where the cause of action arose from a patent infringement suit where Minton's patent was invalidated.[91] Minton, a patentholder, contended that his attorney, Gunn, failed to timely assert an argument against invalidation, thus costing him the case.[92] Minton contended that his malpractice lawsuit arose under federal patent law due to its origination in a patent infringement lawsuit, and therefore the federal courts should have jurisdiction over the malpractice suit and the trial should start over in the federal courts.[93]

After granting certiorari, the Supreme Court recognized that 28 U.S.C. § 1338 was at issue and emphasized that the jurisdiction of the federal courts is limited to what the Constitution and statutes authorize.[94] The Court further breaks down 28 U.S.C. § 1338, explaining that under the statute, cases may arise under federal law in two ways.[95] A case arises under federal law when federal law creates the cause of action addressed in the case or, if the state laws create the cause of action, when the test in *Grable & Sons Metal Products v. Darue Engineering & Manufacturing*[96] is satisfied.[97]

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88. *See Gunn*, 568 U.S. at 263. *Compare Xitronix*, 916 F.3d at 435 (challenging the Federal Circuit's understanding of *Gunn* and pointing to pre-*Gunn* precedent to support the plausibility of the Fifth Circuit's transfer), *with Xitronix*, 882 F.3d at 1077–79 (elaborating on the effects of *Gunn* and dismissing assertions that pre-*Gunn* Federal Circuit precedent runs contrary to post-*Gunn* analysis), *and Xitronix*, 892 F.3d at 1198–99 (Newman, J., dissenting) (denouncing the purported impact of *Gunn* and questioning its applicability to the precise question in *Xitronix* but acknowledging the guidance it can bring to the jurisdictional analysis).

89. *Gunn*, 568 U.S. at 257.

90. *See id.* at 255; *Xitronix*, 916 F.3d at 442–43; *Xitronix*, 882 F.3d at 1077, 1079; *Xitronix*, 892 F.3d at 1198–1200 (Newman, J., dissenting); *Christianson*, 486 U.S. at 807.

91. *Gunn*, 568 U.S. at 255.

92. *Id.*

93. *Id.*

94. *Id.* at 256–57; 28 U.S.C. § 1338 (2011).

95. *Gunn*, 568 U.S. at 257.

96. 545 U.S. 308 (2005).

97. *Gunn*, 568 U.S. at 257; *id.* at 313–14 (holding that the nation's interest in executing federal tax litigation in a federal forum is substantial enough to allow an issue

In 2005, the Supreme Court's holding in *Grable* laid out a four-part test for determining whether federal courts may exercise jurisdiction over a state law claim.[98] The *Grable* test provides that the federal courts can exercise jurisdiction over a state claim if a federal issue is necessarily raised, actually disputed, substantial, and resolvable in the federal court system without disrupting the congressionally created balance between the state and the federal laws and courts.[99] Regarding the substantiality element of the *Grable* test, it is not enough that the federal issue is significant to the parties in the instant suit; there must be importance to the federal system as a whole.[100] In this way, backwards-looking, hypothetical issues are not substantial.[101] The Supreme Court in *Gunn* ended up holding that the appropriate jurisdiction for Minton's malpractice claim was the state courts.[102]

The Supreme Court's treatment of 28 U.S.C. § 1338 in *Gunn* and its determination of when a case arises under the federal laws confused the courts.[103] The result of this confusion is that the Federal Circuit and regional circuit courts now disagree about how the holding in *Gunn* impacts the jurisdictional landscape, particularly in Walker Process appeals.[104] The jurisdictional dispute over Walker Process appeals has even divided the Federal Circuit justices.[105] The resurrection of the dispute is particularly apparent in two relatively recent cases: *Xitronix Corp. v. KLA-Tencor Corp.*[106] and *Chandler v. Phoenix Services LLC*.[107]

Xitronix involves a Walker Process claim and provides the method by which a patent infringement defendant can prevail on a Walker Process claim.[108] To succeed on a Walker Process claim, a patent infringement

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of federal tax delinquency to fall into the federal court's purview).

98. *Gunn*, 568 U.S. at 257–59; *Grable*, 545 U.S. at 314.

99. *Gunn*, 568 U.S. at 257–59; *Grable*, 545 U.S. at 313–14.

100. *Gunn*, 568 U.S. at 257–260.

101. *Id.* at 261–64.

102. *Id.* at 264–65.

103. *See, e.g.*, Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 441–42 (5th Cir. 2019).

104. *See Gunn*, 133 S. Ct. at 263–64; *Xitronix*, 916 F.3d at 442–43; Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075, 1077–79 (Fed. Cir. 2018); Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1198–1200 (Fed. Cir. 2018).

105. *See Xitronix*, 892 F.3d at 1195–96, 1202 (Newman, J., dissenting) (outlining Justice Newman of the Federal Circuit's dissent from other Federal Circuit justices' denial of the petition for rehearing en banc).

106. 916 F.3d 429 (5th Cir. 2019).

107. *See id.* at 441–44; *Xitronix*, 882 F.3d at 1079; *Xitronix*, 892 F.3d at 1198–99 (Newman, J., dissenting); *see also* Chandler v. Phoenix Servs. LLC, 1 F.4th 1013, 1015 (Fed. Cir. 2021); Chandler v. Phoenix Servs., LLC, 45 F.4th 807, 809–10 (5th Cir. 2022).

108. *See* Xitronix Corp. v. KLA-Tencor Corp., No. A-14-CA-01113-SS, 2016 WL

defendant must show that the patentee has intentionally omitted or falsely represented a fact critical to the patentability of the claimed invention.[109] The defendant must next prove that, through the misrepresentation or omission, the patentholder intended to deceive the patent examiner, and the examiner relied on the misrepresentation or omission in granting the patent.[110] The reliance must be such that but for the misrepresentation or omission, the patent would not have been granted.[111] Lastly, the defendant must prove the existence of elements of an underlying antitrust violation by clear and convincing evidence.[112]

After the Western District of Texas decided the case, it was appealed to the Federal Circuit, which disclaimed jurisdiction over the case and transferred the case to the United States Court of Appeals for the Fifth Circuit.[113] This is where the law-of-the-case principles return to rebandage the jurisdictional issues.[114] The Fifth Circuit said the transfer was implausible and transferred the case back to the Federal Circuit.[115] The Federal Circuit disagreed but had to hear the case because of the law-of-the-case principle set out in *Christianson*.[116] The Federal Circuit began with the well-pleaded claim rule, asking "whether the monopolization allegation 'necessarily depends on resolution of a substantial question of federal patent law, in that patent law is a necessary element of one of the well pleaded claims.'"[117] The court went on to apply a substantiality analysis to determine whether the Walker Process claim was patent law focused enough and whether it was important to the federal patent system as a whole, but it declined to indicate exactly what "substantial" means before transferring the case to the Fifth Circuit.[118]

The decision to transfer the appeal to the Fifth Circuit was not unanimous

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7626575, at *4 (W.D. TX Aug. 26, 2016).

109. *Id.*

110. *Id.*

111. *Id.*

112. *Id.*

113. Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075, 1075–76 (Fed. Cir. 2018); Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 429, 431 (5th Cir. 2019).

114. *See Xitronix*, 916 F.3d at 431; Christianson v. Colt Indus. Operating Corp., 486 U.S. 800, 818 (1988).

115. *See Xitronix*, 916 F.3d at 431.

116. Xitronix Corp. v. KLA-Tencor Corp., 757 F. App'x 1008, 1008–09 (Fed. Cir. 2019) (citing *Christianson*, 486 U.S. at 821).

117. *Xitronix*, 882 F.3d at 1077 (quoting *Christianson*, 486 U.S. at 809).

118. *Id.* at 1078–80; *see* Gunn v. Minton, 568 U.S. 251, 258 (2013) (using substantiality as part of a four-factor test for determining if there is federal jurisdiction over a state law claim).

and Justice Newman was strongly opposed.[119] Justice Newman agreed that the *Grable* test is helpful when determining Federal Circuit jurisdiction over cases involving fraud and inequitable conduct.[120] However, she argued that by passing over cases involving issues that the court has traditionally heard, the court is risking further confusion.[121] Justice Newman cited to *Madstad Engineering, Inc. v. USPTO*[122] to support this argument.[123] In *Madstad*, the Federal Circuit said that placing jurisdiction over interpretations of the America Invents Act and assessment of its constitutional validity in the hands of regional circuit courts rather than the Federal Circuit would be problematic.[124] Allowing courts other than the Federal Circuit to hear these issues would upset the balance of Federal Circuit jurisdiction and regional circuit court jurisdiction.[125]

Despite the Federal Circuit's best efforts to avoid hearing the case, the case ended up in the Federal Circuit's lap.[126] After the Federal Circuit transferred the case to the Fifth Circuit, the Fifth Circuit found the transfer implausible and rejected the Federal Circuit's reading of *Gunn v. Minton* and use of *Gunn* as a rationale for transferring the case.[127] Following the law-of-the-case analysis, the Federal Circuit accepted the transfer from the Fifth Circuit after finding the transfer was not implausible, and it rejected the theory that Federal Circuit jurisdiction depends on a patent's status.[128]

The second of the recent Walker Process appeals cases is *Chandler v. Phoenix Services, LLC*. After the district court's ruling, *Chandler* was appealed to the Federal Circuit which then transferred the case to the Fifth Circuit where it was heard, despite continued disagreement.[129] *Chandler* discussed the implications of live versus not live patents and reinforced the

119. *See* Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1195–96 (Fed. Cir. 2018) (Newman, J., dissenting).

120. *See id.* at 1198 (acknowledging that *Gunn*, and therefore the *Grable* test, has potential to be helpful, though not necessarily under these circumstances).

121. *Id.* at 1199–1200.

122. 756 F.3d 1366 (Fed. Cir. 2014).

123. *Xitronix*, 892 F.3d at 1198–99 (Newman, J., dissenting).

124. *Id.*; Madstad Eng'g, Inc. v. USPTO, 756 F.3d 1366, 1371 (Fed. Cir. 2014).

125. *Xitronix*, 892 F.3d at 1202 (Newman, J., dissenting); *Madstad*, 756 F.3d at 1371.

126. Xitronix Corp. v. KLA-Tencor Corp., 757 F. App'x 1008, 1009 (Fed. Cir. 2019) (finding elements of the Fifth Circuit's argument for transfer untenable but nevertheless hearing the case); Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 434–35, 444 (5th Cir. 2019) (protesting the Federal Circuit's transfer and sending the case back).

127. *Xitronix*, 916 F.3d at 437–38; *Xitronix*, 757 F. App'x at 1009–10. *See generally* Gunn v. Minton, 568 U.S. 251 (2013).

128. *Xitronix*, 757 F. App'x at 1009–10.

129. Chandler v. Phoenix Servs., LLC, 1 F.4th 1013, 1013, 1018 (Fed. Cir. 2021); Chandler v. Phoenix Servs., LLC, 45 F.4th 807, 809–10 (5th Cir. 2022).

Federal Circuit's commitment to use a substantiality inquiry similar to the one in the *Grable* test moving forward.[130]

III. *GUNN V. MINTON*: MUDDYING THE WATER AROUND FEDERAL CIRCUIT JURISDICTION OVER WALKER PROCESS APPEALS

The Supreme Court provided a quick fix for jurisdictional questions in Walker Process appeals through *Christianson*, which is unsustainable with its proposed use of law-of-the-case principles.[131] This is because the law-of-the-case principles do no more than get the regional circuit courts and the Federal Circuit to agree to disagree.[132]

Nevertheless, the courts seemingly suspended the jurisdictional dispute until *Gunn* was decided.[133] The Supreme Court's holding in *Gunn* muddied the jurisdictional waters, reigniting the dispute between the Federal Circuit and the regional circuit courts, seen most clearly in recent decisions in *Xitronix* and *Chandler*.[134] While neither the Supreme Court in *Christianson* nor the lower courts specifically elaborate on what makes a transfer plausible, from *Xitronix* and *Chandler* it can be inferred that if the transferee reasonably interprets the law and any precedent such that a matter falls into another court's exclusive jurisdiction or does not fall into its own exclusive jurisdiction, then that court may conclude the transfer was implausible and transfer the matter to the appropriate court.[135] A determination of plausibility is relatively subjective, so the answer to the jurisdictional question remains elusive.[136]

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130. *Chandler*, 45 F.4th at 812–13; *Chandler*, 1 F.4th at 1015, 1018.

131. Christianson v. Colt Indus. Operating Corp., 486 U.S. 797, 817 (1988); *see Chandler*, 45 F.4th at 809–10; *Xitronix*, 757 F. App'x at 1009–10 (indicating the courts' reluctant agreement to hear Walker Process appeals cases transferred to them from other courts).

132. *See Christianson*, 486 U.S. at 816–20; *Chandler*, 45 F.4th at 809–10; *Xitronix*, 757 F. App'x at 1009–10; Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1195–96 (Fed. Cir. 2018) (per curiam) (Newman, J., dissenting) (indicating disagreement among not only federal appellate courts but also among Federal Circuit judges regarding the proper jurisdiction of Walker Process appeals).

133. *See* Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 439 (5th Cir. 2019).

134. Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075, 1079 (Fed. Cir. 2018) (arguing that the overlap between 28 U.S.C. §§ 1295 and 1338 necessitates considering *Gunn*); *Xitronix*, 892 F.3d at 1198, 1202 (Newman, J., dissenting) (arguing that the perceived jurisdictional impact of *Gunn* is not so); *Xitronix*, 916 F.3d at 435, 438, 442; *Chandler*, 45 F.4th at 812 (expressing doubt that *Gunn* alters Federal Circuit jurisdiction).

135. *See Xitronix*, 916 F.3d at 431; *Xitronix*, 757 F. App'x at 1008–10; *Chandler*, 1 F.4th at 1015, 1018; *Chandler*, 45 F.4th at 809–10.

136. *See Xitronix*, 757 F. App'x at 1008–10 (indicating the Fifth Circuit and the Federal Circuit's desires not to hear the case and the Federal Circuits strong dissention

This new dispute between the courts is over whether the ruling in *Gunn* changed the scope of the Federal Circuit's exclusive jurisdiction, and therefore the court's reach over Walker Process appeals.[137] The Fifth Circuit has held that there is no indication that *Gunn* intended to alter *Christianson*,[138] but the Federal Circuit feels differently.[139] Both the Federal Circuit and the regional circuit courts seem to disclaim jurisdiction over Walker Process appeals, leaving those matters to bounce around the court system until one court gives in.[140] Given the uncertainty surrounding which Walker Process appeals cases should be heard by the Federal Circuit and which should be heard by the regional circuit courts, the jurisdictional question comes down to whether, and how, *Gunn* changed the landscape of the Federal Circuit's jurisdiction and what the new standard should be.[141]

While the Federal Circuit and regional circuit courts both make compelling arguments, the courts are steadfast in their beliefs and no solution has been reached.[142] Although the Federal Circuit made some good points, some of its arguments are not as strong.[143]

In the series of *Xitronix* cases, the Federal Circuit looks to the Supreme Court's interpretation of the statutory language of 28 U.S.C. § 1295(a)(1) to influence its decisions on jurisdiction.[144] The court reads the opinion in *Christianson v. Colt Industries Operating Corp.* to mean that the Federal Circuit traditionally has taken on cases where the well-pleaded complaint inquiry is answered in the affirmative as to patent law.[145] Patent law is a

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from the Fifth Circuit's interpretation of Chapter 28 of the United States Code and of *Gunn* and *Nobelpharma*); *Chandler*, 45 F.4th at 809–10.

137. *See Xitronix*, 892 F.3d at 1198–1200 (Newman, J., dissenting).

138. *Xitronix*, 916 F.3d at 438.

139. *Id. Compare* Christianson v. Colt Indus. Operating Corp., 486 U.S. 800, 819 (1988) (prescribing strict adherence of the courts of appeal to law-of-the-lase principles) *with* Jang v. Boston Sci. Corp., 767 F.3d 1334, 1336–37 (Fed. Cir. 2014) (incorporating a substantiality factor from the test in *Gunn* into the jurisdictional analysis).

140. *See, e.g.*, Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075, 1075–76, 1080 (Fed. Cir. 2018); *Xitronix*, 916 F.3d at 431; *Xitronix*, 757 F. App'x at 1009–10.

141. *Xitronix*, 916 F.3d at 437, 442–44; *Xitronix*, 757 F. App'x at 1010.

142. *See Xitronix*, 882 F.3d at 1080; *Xitronix*, 916 F.3d at 435–36; *Xitronix*, 757 F. App'x at 1009–10.

143. *See Xitronix*, 882 F.3d at 1079 (downplaying the potential significance of patent law issues raised in Walker Process appeals); *see also* Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1195–96 (Fed. Cir. 2018) (Newman, J., dissenting) (denouncing the decision of the Federal Circuit and stating it runs contrary to precedent and existing jurisdictional statutes).

144. *See Xitronix*, 882 F.3d at 1079 (citing Christianson v. Colt Indus. Operating Corp., 486 U.S. 800, 814 (1988)).

145. *See id.*

critical component when building a Walker Process claim.[146] In turn, standalone Walker Process claims that are free of non-patent theories that would direct the issue to be heard in a regional circuit court should belong in the Federal Circuit and not the regional circuit courts.[147]

The Federal Circuit recognizes patent law's role in Walker Process matters and acknowledges that before *Gunn*, Walker Process appeals involved significant questions of patent law that would help push the needle in favor of the Federal Circuit hearing the cases.[148] However, where the Federal Circuit starts to err is after *Gunn*, where the judges seem to opine that the substantiality of patent law in Walker Process matters is less significant than it was before.[149] After *Gunn*, the Federal Circuit begins to put Walker Process appeals claims under a more intense microscope, examining the substantiality of the patent law question as an additional step prior to hearing the matter.[150] The Federal Circuit's decision to expand the jurisdictional analysis after *Gunn* was proper in that it attempted to better define the scope of the court's exclusive jurisdiction; however, pulling factors from the *Grable* test only increased the confusion and fueled the dispute.[151] *Xitronix* centers solely on a Walker Process monopolization claim based on alleged fraudulent activity of KLA-Tencor Corporation.[152] The dispute in *Xitronix* is over patent validity and enforceability, yet the Federal Circuit said it did not have jurisdiction and transferred the case.[153]

Judge Newman of the Federal Circuit sides with the Fifth Circuit in disagreeing with the Federal Circuit's transfer in *Xitronix*.[154] By reading *Gunn* too strongly, as the Federal Circuit appears to be doing, the Federal Circuit disclaims jurisdiction over Walker Process claim appeals.[155] Judge Newman indicates that the Federal Circuit's transfer decision teeters on giving regional circuit courts full rein over patent appeals involving patent

146. *Xitronix*, 916 F.3d at 443 (citing Ritz Camera & Image, LLC v. Sandisk Corp., 700 F.3d 503 (2012)); *see Xitronix*, 882 F.3d at 1078.

147. *See Xitronix*, 916 F.3d at 443–44; *Xitronix*, 882 F.3d at 1076–77, 1079.

148. *Xitronix*, 882 F.3d at 1079.

149. *See id.*

150. *See id.*; *Xitronix*, 916 F.3d at 437–38.

151. *See, e.g.*, *Xitronix*, 916 F.3d at 437–38; Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1197–98 (Fed. Cir. 2018) (Newman, J., dissenting).

152. *Xitronix*, 882 F.3d at 1076.

153. *Xitronix*, 892 F.3d at 1199 (Newman, J., dissenting) (pointing out that despite the Supreme Court leaving untouched the Federal Circuit's jurisdiction over disputes involving patent validity and enforceability in *Gunn*, the Federal Circuit declined to accept *Xitronix*, which involves those same issues, as falling under its jurisdiction).

154. *Id.* at 1195–96.

155. *Id.* at 1198, 1202.

issues that bring about non-patent offenses.[156]

This is applicable in Walker Process cases because the antitrust violation in a Walker Process claim spawns out of a patent issue.[157] Judge Newman stated that the panel of Federal Circuit judges in *Xitronix* ruled that, in *Gunn*, the Supreme Court changed the Federal Circuit's jurisdiction, so Walker Process appeals no longer fall under the Federal Circuit's jurisdiction according to the statutes and precedent cases.[158] Judge Newman shined a light on the direction in which things are moving and cautions against removal of Walker Process claims from the Federal Circuits jurisdictional sphere.[159] Despite the Federal Circuit's decision in *Xitronix*, the Federal Circuit should strongly consider taking on more cases like *Xitronix*, which involve standalone Walker Process claims and are neither backwards-looking nor hypothetical, especially those involving fraud on the USPTO.[160]

Although the Federal Circuit creates confusion in some areas, it clarifies the law in others and has made attempts at solving, or at least defining, the scope of the jurisdictional issue.[161] The Federal Circuit's opinion in *Madstad* stated that the Federal Circuit should have jurisdiction over interpretations of the America Invents Act.[162] If this is read somewhat broadly, it seems both patent validity and enforcement questions in federal cases should fall under the Federal Circuit's jurisdiction.[163] Likewise, common law fraud, misrepresentation, and inequitable conduct on the USPTO during patent prosecution should also, at times, trigger Federal Circuit jurisdiction.[164]

Though it still needs work, the Federal Circuit's inclusion of the *Grable* test's substantiality factor in its jurisdictional analysis is a good step towards

156. *Id.* at 1196 (emphasizing that Walker Process appeals sit on a tightrope and are at risk of not being heard in the Federal Circuit since Walker Process claims involve antitrust law violations that arise out of patent law violations).

157. *See* Hovenkamp, *supra* note 10, at 1–2.

158. *Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting).

159. *See id.*

160. *See* Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 439 (5th Cir. 2019) (emphasizing fraud on the USPTO as a significant issue and the Federal Circuit's pre-*Gunn* view of this type of fraud as implicative of its jurisdiction); Gunn v. Minton, 568 U.S. 251, 264 (2013) (describing how backwards looking and hypothetical questions do not generally change the result of prior federal patent litigation); Chandler v. Phoenix Servs., LLC, 45 F.4th 807, 813 (5th Cir. 2022) (reflecting precedent, stating that patent law is a key element of standalone Walker Process claims, which have a place in the Federal Circuit).

161. *See* Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075, 1079 (Fed. Cir. 2018); *Xitronix*, 892 F.3d at 1198–99 (Newman, J., dissenting); *Chandler*, 45 F.4th at 812–13.

162. *See Xitronix*, 892 F.3d at 1199 (Newman, J., dissenting).

163. *See id.*

164. *See id.*

clarifying post-*Gunn* Federal Circuit jurisdiction and, therefore, jurisdiction of Walker Process appeals.[165] While the entrance of this factor into the analysis has brought confusion to the regional circuit courts, especially after recent Walker Process cases like *Xitronix*, the substantiality factor has ties to the past.[166] The Federal Circuit's choice to integrate portions of the *Grable* test into their jurisdictional criteria in cases like *Xitronix* upholds the court's opinion in *Madstad* and its views in pre-*Gunn* cases.[167] This support provides repeated instances of the court indicating what lies within its grasp and connects the post-*Gunn* attitudes of the courts with their pre-*Gunn* actions.[168] Although, post-*Gunn*, the Federal Circuit has not made it entirely clear how the substantiality factor is applied, in the past, the Federal Circuit has historically recognized certain claims and violations as being substantial.[169]

Additionally, the Fifth Circuit points to the Federal Circuit's statement in *Nobelpharma* that Federal Circuit law should be applied to Walker Process cases to mean that the Federal Circuit should have jurisdiction over Walker Process appeals.[170] However, the Federal Circuit disagrees, saying that the Federal Circuit's statement in *Nobelpharma* meant that Federal Circuit law should be applied and not necessarily that the Federal Circuit should have jurisdiction over all Walker Process appeals.[171] Despite the Federal Circuit's clarification, the Fifth Circuit remains unconvinced, believing the difference is immaterial, but the Federal Circuit is correct in its contention that it should

165. *See Xitronix*, 916 F.3d at 443 (discussing the benefits brought by clear jurisdictional rules); *Xitronix*, 892 F.3d at 1199 (Newman, J., dissenting) (citing Madstad Eng'g, Inc. v. USPTO, 756 F.3d 1366, 1370 (Fed. Cir. 2014)) (admitting that the pillars in *Gunn* and *Grable* could be helpful tools but are not an exact match to the situation in which the Federal Circuit seeks to apply them).

166. *See Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting) (asking what "something more" is required to pass the substantiality factor and implicate Federal Circuit jurisdiction); *Xitronix*, 916 F.3d at 441–42 (questioning the applicability of the *Grable* test to a horizontal question of jurisdiction between circuit courts); *In re* Ciprofloxacin Hydrochloride, 544 F.3d 1223, 1330 n.8 (Fed. Cir. 2008); *Madstad*, 756 F.3d at 1371.

167. *See Xitronix*, 916 F.3d at 438; *Madstad*, 756 F.3d at 1371; *In re Ciprofloxacin*, 544 F.3d at 1330 n.8; Nobelpharma AB v. Implant Innovations, Inc., 141 F.3d 1059, 1063, 1067 (Fed. Cir. 1998).

168. *See Xitronix*, 916 F.3d at 438; *Madstad*, 756 F.3d at 1371; *In re Ciprofloxacin*, 544 F.3d at 1330 n.8; *Nobelpharma*, 141 F.3d at 1063, 1067.

169. *See Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting); *In re Ciprofloxacin*, 544 F.3d at 1330 n.8; *Nobelpharma*, 141 F.3d at 1067; Rosch, *supra* note 16, at 102–03 (pointing to the importance of substantiality and acknowledging that the fraudulent procurement of a patent had traditionally been deemed substantial).

170. *See Xitronix*, 916 F.3d at 439 (interpreting a choice of law to be equivalent to a choice of venue).

171. *See Xitronix*, 916 F.3d at 439; *Xitronix*, 892 F.3d at 1199 (Newman, J., dissenting); Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075, 1078 (Fed. Cir. 2018).

not have jurisdiction over all Walker Process appeals cases.[172] The *Chandler* case provides a perfect example of where a Walker Process appeal should not fall under Federal Circuit Jurisdiction.[173] In *Chandler*, the Federal Circuit faced a question involving the Walker Process Doctrine after a substantial portion of the patent law issue had already been resolved in previous litigation.[174] The Federal Circuit is correct to turn down Walker Process appeals such as this.[175]

It is clear that the Federal Circuit feels that *Gunn* impacted the scope of its exclusive jurisdiction, as it has incorporated a substantiality inquiry similar to part three of the *Grable* test into determinations of its own exclusive jurisdiction.[176] The Federal Circuit's adoption of a substantiality inquiry from the *Grable* test discussed in *Gunn* assists in weeding out cases like *Chandler*, but without more clear guidelines and additional guideposts, the additional inquiry is not an adequate analysis tool.[177] Despite having knowledge of what has been substantial in the past, after *Xitronix*, courts and practitioners have been left wondering what is required to meet the new substantiality bar.[178]

One issue with the Federal Circuit drawing a substantiality inquiry from *Gunn* is that *Gunn* focused on 28 U.S.C. § 1338 by determining whether the state or federal courts should hear the case.[179] This focus partially conflicts with the issue at hand in Walker Process appeals like *Xitronix* and *Chandler*, to which the substantiality analysis now applies, where the question is which federal court should have jurisdiction.[180] The *Grable* test, from which the substantiality factor is drawn, was meant to solve issues of state versus

172. *Xitronix*, 916 F.3d at 439.

173. *See* Chandler v. Phoenix Servs. LLC, 1 F.4th 1013, 1013, 1018 (Fed. Cir. 2021) (appealing to the Federal Circuit a case involving a Walker Process claim arising from a fraudulently obtained and improperly asserted patent, the case being filed after said patent was already invalidated by the Federal Circuit); Chandler v. Phoenix Servs. LLC, 45 F.4th 807, 809–10 (5th Cir. 2022).

174. *See* Chandler v. Phoenix Servs. LLC, No. 7:19-cv-00014-O, 2020 WL 1848047, at *2–3 (N.D. Tex. Apr. 13, 2020); *Chandler*, 1 F.4th at 1014–15; Chandler v. Phoenix Servs. LLC, 45 F.4th 807, 809–10 (5th Cir. 2022).

175. *See Chandler*, 2020 WL 1848047, at *6; *Chandler*, 1 F.4th at 1014–15; *Chandler*, 45 F.4th at 809–10.

176. *See Xitronix*, 892 F.3d at 1198–99 (Newman, J., dissenting); *Xitronix*, 882 F.3d at 1077–78.

177. *See Chandler*, 1 F.4th at 1015; *Chandler*, 45 F.4th at 809–10; *Xitronix*, 916 F.3d at 439–42; *Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting).

178. *See Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting); Lammon, *supra* note 18; Handler, *supra* note 18.

179 *See Xitronix*, 916 F.3d at 442.

180. *See id.*

federal court jurisdiction; it was not meant to be used as a tool for allocating cases among different federal courts.[181] The Fifth Circuit takes great issue with this discrepancy.[182] The four-factor test in *Grable* provides the circumstances under which a federal court can hear a state law claim, and the Supreme Court analyzed *Gunn* through this lens.[183] The Federal Circuit now seeks to apply elements of the *Grable* test, which admittedly applies to very few cases, to a larger body of cases, including Walker Process appeals.[184] Although additional inquiries may assist in better defining the scope of the Federal Circuit's jurisdiction, if the inquiries themselves are unclear, the desired result will not be achieved.[185]

Further, keeping in mind the Federal Circuit's precedent on what has historically been deemed substantial, accepting the Federal Circuit's substantiality inquiry as is does not solve the jurisdictional dispute.[186] As Judge Newman feared in her dissent in *Xitronix*, the Federal Circuit hints that the coverage provided under the substantiality umbrella "may" be subject to change after *Gunn*.[187] Additional information on what can now be appropriately labeled as substantial under *Gunn* is necessary before the substantiality inquiry will be a helpful tool.

IV. RESOLUTION OF POST-*GUNN* INTERPRETATION ISSUES

Although the Fifth Circuit's argument against the substantiality factor, drawn from the *Grable* test in *Gunn*, is plausible, the idea of a substantiality factor is appropriate for Walker Process appeals.[188] To reduce confusion and settle the waters between the Federal Circuit and regional circuit courts, the scope of the Federal Circuit's exclusive jurisdiction should be stated more

181. *See* Gunn v. Minton, 568 U.S. 251, 258 (2013) (laying out the rule as a means for determining whether federal jurisdiction over a state claim should be allowed); *Xitronix*, 916 F.3d at 438.

182. *See Xitronix*, 916 F.3d at 442.

183. *Gunn*, 568 U.S. at 258.

184. *Id.* at 258–59.

185. *See* Lammon, *supra* note 18; *see also* Handler, *supra* note 18.

186. *See* Xitronix Corp. v. KLA-Tencor Corp., 892 F.3d 1194, 1196 (Fed. Cir. 2018) (Newman, J., dissenting); *In re Ciprofloxacin*, 544 F.3d 1223, 1330 n.8 (Fed. Cir. 2008); Nobelpharma AB v. Implant Innovations, Inc., 141 F.3d 1059, 1067 (Fed. Cir. 1998); Rosch, *supra* note 16, at 102–03; *Xitronix*, 916 F.3d at 431; Chandler v. Phoenix Servs. LLC, 45 F.4th 807, 809–10 (5th Cir. 2022).

187. *Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting); Xitronix Corp. v. KLA-Tencor Corp., 882 F.3d 1075, 1079 (Fed. Cir. 2018) (citing *In re* Lipitor, 855 F.3d 126, 145–46 (3d Cir. 2017)).

188. *See Xitronix*, 916 F.3d at 442; *Xitronix*, 892 F.3d at 1198 (Newman, J., dissenting); *Xitronix*, 882 F.3d at 1077.

clearly.[189] To do so, Congress should amend the existing statute, 28 U.S.C. § 1295(a)(1),[190] or propose new legislation, and the Federal Circuit should consider adding language in subsequent opinions to clarify the substantiality inquiry or further distinguish between Walker Process appeals belonging in the Federal Circuit and those that belong in the regional circuit courts. The Federal Circuit is correct in saying that it does not have jurisdiction over all Walker Process appeals, but without clearer guideposts, the Federal Circuit and regional circuit courts will continue to point fingers and disclaim jurisdiction.[191]

Looking at the statutes, as the Fifth Circuit points out, the similarities and differences between 28 U.S.C. § 1338 and 28 U.S.C. § 1295 created unnecessary confusion after *Gunn* was decided.[192] The sections recite nearly identical lines, yet they address different problems.[193] This similarity has troubled the regional circuit courts which are struggling to accept the Federal Circuit's adoption of the substantiality factor from the *Grable* test.[194] The sections could be revised to provide clarity and better distinguish between the state and federal matters.[195]

Focusing on § 1295 and Federal Circuit jurisdiction, the *Grable* test as a whole and on its surface is inapplicable to Walker Process appeals and the jurisdictional dispute at hand, but the substantiality factor, adopted by the Federal Circuit, has potential to be helpful in discerning jurisdiction.[196] While the substantiality factor should continue to be used, it needs to be fleshed out further and adjusted from *Grable* to best fit into the Walker Process jurisdictional equation.[197] Specifically, by refining the definition of substantial and defining a scope for the substantiality inquiry, the confusion plaguing courts, justices, and practitioners may be alleviated.[198] Further, resolving the jurisdictional dispute in this way will work to accomplish the goals acknowledged by each court: preservation of uniformity, promotion of judicial economy, maintenance of public confidence in the judiciary,

189. *See* Lammon, *supra* note 18. *See generally* 28 U.S.C. § 1295(a)(1) (2012).

190. 28 U.S.C. § 1295(a)(1) (2012).

191. *See Xitronix*, 882 F.3d at 1079; *see also Xitronix*, 892 F.3d at 1198–99 (Newman, J., dissenting).

192. *See* Xitronix Corp. v. KLA-Tencor Corp., 916 F.3d 429, 436, 442 (5th Cir. 2019). *Compare* 28 U.S.C. § 1338 (2011), *with* 28 U.S.C. § 1295(a)(1) (2012).

193. *See Xitronix*, 916 F.3d at 436, 442.

194. *See id.* at 438, 439, 442, 443.

195. *See* 28 U.S.C. §§ 1338, 1295(a)(1).

196. *See* 28 U.S.C. § 1295(a)(1) (2012); *Xitronix*, 916 F.3d at 441–42; *Xitronix*, 892 F.3d at 1198–99 (Newman, J., dissenting).

197. *See Xitronix*, 916 F.3d at 441–42.

198. *See Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting).

preservation of private and public resources, and prevention of excessive amounts of time spent on jurisdictional matters.[199]

The primary issue is the substantiality factor.[200] Newman's dissent discusses the court's statement that "something more" is required to raise a substantial issue of federal patent law.[201] This "something more" is ambiguous and should be defined through statutory amendments and subsequent opinions.[202] Walker Process cases that satisfy the substantiality factor should include those cases where there is deliberate fraud on the USPTO in the procurement of a currently living, valid patent, where determination of the validity and enforceability of the patent is vital to the resolution of the further antitrust question.[203] These matters should therefore implicate the exclusive jurisdiction of the Federal Circuit. On the other hand, Walker Process cases where the patent is no longer live or where the patent law issue has been resolved in an earlier litigation, as in *Chandler*, should be directed to the regional circuit courts.[204] Likewise, cases where the patent law issue is secondary to the primary issue, as with the malpractice issue in *Gunn*, should also belong in the regional circuit courts.[205] As the body of cases grows post-*Gunn*, the divide between substantial and unsubstantial patent law issues will become better defined, but using these principles as a jumping-off point will allow the courts to take a unified approach.

Legislation or statutory amendments will achieve this goal as they would formalize the Walker Process jurisdictional analysis in a more cohesive way so the procedure is clear across the courts. Without such legislation or amendments, valuable resources are being wasted to solve questions of jurisdiction on a case-by-case basis without giving a more blanket solution.[206] The *Grable* substantiality factor is a good start, but legislation can better define its scope. Waiting for courts to come up with a solution has proved ineffective and continuing to wait will prolong a viable approach to Walker Process jurisdiction.

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199. *See id.* at 1197; *see also* Xitronix Corp. v. KLA-Tencor Corp., 757 F. App'x 1008, 1009 (Fed. Cir. 2019); *Xitronix*, 916 F.3d at 443; Christianson v. Colt Indus. Operating Corp., 800 U.S. 800, 818–19 (1988).

200. *See Xitronix*, 916 F.3d at 438.

201. *Xitronix*, 892 F.3d at 1196 (Newman, J., dissenting).

202. *Id.*

203. *See id.* at 1199; *see also Xitronix*, 916 F.3d at 437, 439, 441, 443; Chandler v. Phoenix Servs. LLC, 45 F.4th 807, 813 (5th Cir. 2022).

204. *See Chandler*, 45 F.4th at 813; Chandler v. Phoenix Servs., LLC, 1 F.4th 1013, 1018 (Fed. Cir. 2021).

205. Gunn v. Minton, 568 U.S. 251, 260 (2013).

206. Christianson v. Colt Indus. Operating Corp., 486 U.S. 800, 818–19 (1988); Handler, *supra* note 18; Lammon, *supra* note 18.

V. CONCLUSION

The holding in *Gunn* ended the life of the Supreme Court's band-aid fix in *Christianson* and complicated the matter of Walker Process appeal jurisdiction by muddying the water around general Federal Circuit jurisdiction. However, the substantiality factor that comes out of the *Grable* test in *Gunn* has the potential to resolve the confusion with respect to Walker Process claims if the "something more" is identified and legislation is written or the statutory provisions are amended to provide greater clarity to courts and practitioners alike.