

# THE TREATY POWER AND THE PATENT CLAUSE: ARE THERE LIMITS ON THE UNITED STATES' ABILITY TO HARMONIZE?

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## INTRODUCTION

The latter part of the twentieth century saw considerable efforts at the harmonization of international intellectual property laws through international agreements such as the North American Free Trade Agreement and the Agreement on Trade Related Aspects of Intellectual Property (TRIPS).<sup>1</sup> Efforts at harmonizing international intellectual property laws are nothing new, however. Countries have been attempting to harmonize their laws since the nineteenth century.<sup>2</sup> Increasingly, the United States has altered its intellectual property laws in order to comport with international standards.<sup>3</sup> In the area of patent law, harmonization steps have resulted in giving consideration to inventive activities taking place outside of the United States,<sup>4</sup> the publication of patent applications after eighteen months,<sup>5</sup> the addition of “offers to sell” and “importation” as forms of patent infringement,<sup>6</sup> and the change in

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<sup>1</sup> See Richard B. Graves, III, *Globalization, Treaty Powers, and the Limits of the Intellectual Property Clause*, 50 J. COPYRIGHT SOC'Y 199, 199 (2003).

<sup>2</sup> See Adam Isaac Hasson, Note, *Domestic Implementation of International Obligations: The Quest for World Patent Harmonization*, 25 B.C. INT'L AND COMP. L. REV. 372, 373 (2002).

<sup>3</sup> See generally Timothy R. Holbrook, *Territoriality Waning? Patent Infringement for Offering in the United States to Sell an Invention Abroad*, 37 U.C. DAVIS L. REV. 701, 706-723 (2004) (discussing international aspects of U.S. patent law and noting changes made to harmonize U.S. law) [hereinafter Holbrook, *Territoriality Waning?*].

<sup>4</sup> See 35 U.S.C. §§ 104, 271(g)(1) (1994). Previously, only inventive activity in the United States could be used to prove priority of inventorship. See Holbrook, *Territoriality Waning?*, *supra* note 3, at 712-14; Anneliese M. Seifert, Comment, *Will the United States Take the Plunge into Global Patent Law Harmonization? A Discussion of the United States' Past, Present, and Future Harmonization Efforts*, 6 MARQ. INTELL. PROP. L. REV. 173, 177 (2002). The United States still retains a “first-to-invent” system, while the rest of the world uses a “first-to-file” system. Seifert, *supra*, at 198.

<sup>5</sup> See 35 U.S.C. § 122(b)(1994); Seifert, *supra* note 4, at 190.

<sup>6</sup> 35 U.S.C. § 271(a) (West Supp. 2001); see also Timothy R. Holbrook, *Liability for the “Threat Of A Sale”: Assessing Patent Infringement for Offering to Sell an Invention and Implications for the On-Sale Patentability Bar and Other Forms of Infringement*, 43 SANTA CLARA L. REV. 751, 763 (2003) [hereinafter Holbrook, *Threat of Sale*]. Congress amended the statute in 1994,

the patent term from seventeen years from issuance to twenty years from the date the application is filed.<sup>7</sup>

Many of these changes resulted from obligations to which the United States agreed to in various international agreements.<sup>8</sup> The most significant of these treaties, TRIPS, requires signatories to provide a floor of intellectual property protection, although countries are free to establish more generous rights.<sup>9</sup> All of these treaties and agreements retain a key feature of intellectual property: the rights afforded are territorial in nature.<sup>10</sup> At this time, any intellectual property rights within the United States are products of national law, and their geographic scope generally is limited to within the United States.<sup>11</sup>

The ability of the United States federal government to make law is not unlimited, even with respect to intellectual property. The U.S. federal government is one of limited powers, as enumerated by the Constitution. In the context of international patent harmonization, therefore, the ability of the U.S. to harmonize necessarily implicates the enumerated powers of the federal government. The constitutional provisions most relevant to harmonization efforts are the Patent and Copyright Clause<sup>12</sup> and the Treaty Power. The Patent and Copyright Clause is found in Section 8 of Article I of the U.S. Constitution. Article I governs the structure of, powers granted to, and limitations on the U.S. Congress. Clause 8 of section 8 specifically grants Congress the power "To promote the Progress of Science and useful Arts, by securing

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but it did not become effective until January 1, 1996. See *Black & Decker, Inc. v. Home Product Marketing, Inc.*, 929 F. Supp. 1114, 1120 n.17 (N.D. Ill. 1996). "Offer to sell" language was also added to § 252 of the Patent Act to add intervening rights to "offer to sell" in light of a reissued patent. See 35 U.S.C. § 252 (West Supp. 2001); *Shockley v. Arcan, Inc.*, 248 F.3d 1349, 1359-60 (Fed. Cir. 2001).

<sup>7</sup> See 35 U.S.C. § 154(a)(2); Seifert, *supra* note 4, at 185.

<sup>8</sup> Examples of such agreements include the Berne Convention, the Patent Cooperation Treaty ("PCT"), and the TRIPS Agreement. See Holbrook, *Territoriality Waning?*, *supra* note 3, at 707-08; Holbrook, *Threat of Sale*, *supra* note 6, at 784.

<sup>9</sup> See TRIPS, Art. 1(1); see also Hasson, *supra* note 2, at 374; Owen Lippert, *One Trip to the Dentist is Enough: Reasons to Strengthen Intellectual Property Rights Through the Free Trade Area of the Americas*, 9 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 241, 273 (1998).

<sup>10</sup> See Holbrook, *Territoriality Waning?*, *supra* note 3, at 704-05.

<sup>11</sup> See, e.g., 35 U.S.C. § 154(a)(1) (expressly limiting right to exclude to acts "throughout the United States"). See generally Holbrook, *Territoriality Waning?*, *supra* note 3, at 704-05 (noting that patent rights in particular are the most territorial).

<sup>12</sup> Some debate has arisen as to even the appropriate name of this clause of the constitution. See, e.g., Justin Hughes, *How Extra-Copyright Protection of Databases Can Be Constitutional*, 28 U. OF DAYTON L. REV. 159, 161-62 (2003) (noting use of both the terms "Copyright and Patent Clause," "Patent and Copyright Clause," "Patent and Copyright Clauses," and "Intellectual Property Clause") [hereinafter Hughes, *Databases*]. For sake of convenience, and an appropriate description of its scope, I will refer to the clause as the Copyright and Patent Clause or, if referring strictly to that part enabling the patent system, the Patent Clause.

for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”<sup>13</sup> The reference to “Science,” contrary to the modern view of the word, relates to the power of Congress to implement a copyright system.<sup>14</sup> The reference to the “useful Arts” refers to the patent system.<sup>15</sup>

The Treaty Power is found in Article II, which defines the scope of the executive branch of the federal government. Specifically, section 2 of Article II affords the President the “Power, by and with the Advice and Consent of the Senate, to make Treaties, provided two thirds of the Senators present concur.”<sup>16</sup> Other than the requirement for concurrence by a supermajority of the Senate, there is no express limitation on the President’s power under the Treaty Power. In modern times, international agreements are also concluded by the President pursuant to executive agreements.<sup>17</sup> These agreements have the force of law, although they are not subject to the supermajority requirement.<sup>18</sup> Also, the role of the supermajority has been vastly reduced through the use of congressional-executive agreements, where agreements reached by the executive are approved by both houses of Congress.<sup>19</sup>

The question remains, though, as to whether the limitations of the Patent Clause constrain the ability of the federal government to act pursuant to the Treaty Power. In other words, could Congress, under the auspices of a treaty, pass an intellectual property law that contravenes the limitations of the Patent Clause, such as affording a patent of infinite duration? Recent scholarship analyzing such constitutional conflicts generally has focused on these two clauses in isolation. With respect to the Patent Clause, professors Sherry and Heald have analyzed whether any perceived limitations in the Patent Clause transcend that clause and limit Congress’ powers elsewhere, such as under the Commerce Clause.<sup>20</sup> The poten-

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<sup>13</sup> U.S. CONST. art. I, § 8, cl. 8.

<sup>14</sup> See Edward C. Walterscheid, *To Promote the Progress of Useful Arts: American Patent Law and Administration, 1787-1836 (Part 1)*, 79 J. PAT. & TRADEMARK OFF. SOC’Y 61, 76 (1997).

<sup>15</sup> For the sake of convenience, this Article will refer to the Patent Clause, which excludes the copyright aspects of Clause 8. In other words, the Patent Clause grants Congress the power to “promote the Progress of . . . useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their respective . . . Discoveries.” When discussing the copyright part of the clause, I will refer to the Copyright Clause. The entire clause will be called the Patent and Copyright Clause.

<sup>16</sup> U.S. CONST. art. II, § 2.

<sup>17</sup> See Curtis A. Bradley, *The Treaty Power and American Federalism*, 97 MICH. L. REV. 390, 398 (1998) [hereinafter “Bradley I”].

<sup>18</sup> See *id.*

<sup>19</sup> See *id.*

<sup>20</sup> See generally Paul J. Heald and Suzanna Sherry, *Implied Limits on the Legislative Power: The Intellectual Property Clause as an Absolute Constraint on Congress*, 2000 U. ILL. L. REV. 1119 (2000).

tial conflict between co-equal powers of Congress could be viewed as horizontal conflicts. Similarly, a healthy debate has developed over the scope of the Treaty Power vis-à-vis the Commerce Clause and the rights of the states in a federal system, which is more of a vertical conflict.<sup>21</sup> Little scholarship, however, has rigorously addressed the potential for horizontal conflicts between the Patent Clause and the Treaty Power.<sup>22</sup> Nor have the courts expressly addressed this issue.<sup>23</sup>

This Article will address this omission, paying attention to the implications for international patent harmonization. Part IA reviews the Patent Clause and the (arguable) limitations on Congress' power contained therein. Part IB then considers the problems of horizontal conflicts in the authority of the federal government and concludes that the limitations of the Patent Clause can constrain congressional exercise of authority. Section II then analyzes the scope of the Treaty Power and discusses the current debate over federalism concerns under this power. Section III then addresses the intersection of the Treaty Power and the Patent Clause to assess whether the limitations of the Patent Clause also confine the scope of Congress' authority under the Treaty Power. This Article concludes that, under the current regime of nationally-based patent rights, the Patent Clause does limit the authority of Congress to harmonize U.S. law with international standards. If harmonization evolves into supranational patent rights, however, then the Patent Clause would no longer eclipse the authority of the Treaty Power. Such a result is possible because, in a supranational regime, the source of granting authority for the exclusive rights is no longer the U.S. federal government, but rather the international agreement itself.

#### I. ARE THERE LIMITATIONS ON CONGRESS' POWERS IN THE PATENT CLAUSE?

The root of the U.S. patent system is the Patent Clause of the U.S. Constitution. It empowers Congress to create a system to promote the progress of the useful arts by affording a period of exclusivity to the inventor for his discovery. The Patent Clause is unique

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<sup>21</sup> See *infra* notes 163-199 and accompanying text.

<sup>22</sup> A recent article has broached this topic fairly rigorously. See Graves, *supra* note 1. Otherwise, commentators have identified the issue without exploring its contours. See, e.g., Pamela Samuelson, *The Constitutional Law of Intellectual Property After Eldred v. Ashcroft*, 50 J. COPYRIGHT SOC'Y 547, 563-64 (2003).

<sup>23</sup> See Graves, *supra* note 1, at 200 ("[T]he question whether Congress can legislate pursuant to treaty what it cannot legislate pursuant to the Intellectual Property Clause has remained unanswered.").

in that it states both the objective of the grant of power – promotion of progress in the useful arts – and the means to achieve that objective – exclusive rights to inventors for a limited time.<sup>24</sup> The patentee is offered a period of exclusivity both to allow the patentee to recoup the research and development costs behind the invention and to entice the patentee to disclose the invention to the public, foregoing potential protection as a trade secret.<sup>25</sup> The public thereby benefits by the addition of the invention into the common pool of knowledge.<sup>26</sup> By stating the objective and means to achieve that objective, the question becomes what limits does the clause place on Congress' power to implement a patent system.

### A. *Constitutional Limits in the Patent Clause*

Undisputedly, the Patent Clause contains meaningful limitations on the ability of Congress to act with respect to the patent system. These express limitations include that the exclusive rights are granted to the inventor or inventors;<sup>27</sup> the patent term must be of limited duration;<sup>28</sup> the patent is granted for a discovery, which minimally suggests that Congress cannot remove something from the public domain via the grant of a patent (i.e., it must meet some level of novelty);<sup>29</sup> and the invention must be "useful."<sup>30</sup> The metes and bounds of these limitations, however, are far from clear.

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<sup>24</sup> See *Goldstein v. California*, 412 U.S. 546, 555 (1973); see also L. Ray Patterson, Eldred v. Reno: *An Example of the Law of Unintended Consequences*, 8 J. INTELL. PROP. L. 223, 233 (2001) ("The unique characteristic of the IP Clause is that it states not only the goal for which the power is granted to Congress, but also the procedure by which the goal is to be achieved."); Edward C. Walterscheid, *To Promote the Progress of Useful Arts: American Patent Law and Administration, 1787-1836 (Part 2)*, 80 J. PAT. & TRADEMARK OFF. SOC'Y 11, 23 (1998).

<sup>25</sup> See *Kewanee Oil Co. v. Bicron*, 416 U.S. 470, 480-81 (1974).

<sup>26</sup> See *id.*

<sup>27</sup> See Edward C. Walterscheid, "Within the Limits of the Constitutional Grant": *Constitutional Limitations on the Patent Power*, 9 J. INTELL. PROP. L. 291, 301-02 (2002) ("It is for this reason that patents are always applied for and issued in the name of the inventor regardless of who or what entity may actually own the rights to the patent."). For some reason, Congress has not similarly interpreted the "authors" provision for the copyright system. Congress allows the copyright for "works for hire" to go directly to the corporate employer. See *id.* at 302-03. Some have suggested that the works-for-hire aspect of the Copyright Act may be unconstitutional. See *id.* at 305 (quoting L. RAY PATTERSON & STANLEY W. LINDBERG, *THE NATURE OF COPYRIGHT, A LAW OF USERS' RIGHTS* 86 (University of Georgia Press 1991)). But see Heald and Sherry, *supra* note 20, at 1190.

<sup>28</sup> See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989) ("Congress may not create patent monopolies of unlimited duration.").

<sup>29</sup> See *Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966).

<sup>30</sup> The Clause requires progress in the "useful arts," from which the requirement that the invention be useful has been drawn; cf. *Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966) ("Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system, which by constitutional command must 'promote the Progress of . . . useful Arts.' This is the *standard* expressed in the Constitution and it may not be ignored.").

Additionally, there presently is considerable debate whether the language “promote the Progress . . . of the useful Arts” may also constitute a limitation.<sup>31</sup> This part of the Article will unpack the Patent Clause’s language to identify limitations on Congress’s legislative powers.

### 1. Inventor

The Patent Clause expressly states that the exclusive rights afforded under a patent system are granted to the inventor. In the United States, the patent is awarded to the first to invent the device, material, or process.<sup>32</sup> Determining who is the first to invent, however, can be costly and difficult.<sup>33</sup> In contrast, the rest of the world uses a race system where the first to file an application is entitled to the patent, regardless of whether that person was the first to invent.<sup>34</sup> The United States’ first-to-invent system thus prevents true harmonization with the rest of the world.

While there have been significant calls to change the U.S. system, a potential hurdle could exist if “inventor” in the Patent Clause actually means the first to invent. If the language in the clause means “*the* inventor,” and not “*an* inventor,” then the exclusive rights must be awarded to the first to invent. Consequently, Congress would not have the power under the Constitution to change the patent law to redefine the term “inventor” to mean the first to file a patent application.<sup>35</sup> If, on the other hand, Congress has discretion in applying the principles of the Patent Clause, then Congress could simply redefine the term “inventor” to mean the first to file a patent application on a given invention or discovery.<sup>36</sup>

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<sup>31</sup> See Heald and Sherry, *supra* note 20, at 1120; see also Margo A. Bagley, *Patently Unconstitutional: The Geographical Limitation on Prior Art in a Small World*, 87 MINN. L. REV. 679, 741 (2003) (arguing that the “in the United States” limitation on prior art is unconstitutional because “it allows for the reward of patent rights without the concomitant advance in the useful arts”).

<sup>32</sup> See 35 U.S.C. §§ 102(a), (f) - (g) (2000).

<sup>33</sup> See JANICE M. MUELLER, INTRODUCTION TO PATENT LAW 358 (2003).

<sup>34</sup> See *id.*

<sup>35</sup> See Jane C. Ginsburg, *No “Sweat?” Copyright and Other Protection of Works of Information After Feist v. Rural Telephone*, 92 COLUM. L. REV. 338, 376 n.180 (1992).

<sup>36</sup> Professor Jane Ginsburg has argued along these lines in the context of the authority of Congress to define the term “Authors” in the Copyright Clause:

[W]hatever the Supreme Court’s prior interpretations of the Patent-Copyright Clause, Congress may nonetheless supply the content of that clause. Even if Congress cannot claim ultimate authority to interpret those portions of the Constitution that bear neither on separation of powers nor on individual rights, Congress should enjoy substantial discretion in implementing its constitutional prerogative to “promote the Progress of Science.” Congress’ determination of what endeavors constitute the “Writings” of ‘Authors’ should be viewed as an exercise of fact-finding by the body most competent to evaluate the efficacy of the means chosen to promote the constitutional goal. Supreme Court review

Generally, the Supreme Court affords broad latitude to Congress in implementing the patent system pursuant to the Patent Clause. Previously, the Supreme Court has noted that, under the Patent Clause, “the sign of how far Congress has chosen to go can come only from Congress.”<sup>37</sup> Similarly, while noting that the Patent Clause “is both a grant of power and a limitation,”<sup>38</sup> the Court acknowledged that “[w]ithin the limits of the constitutional grant, the Congress may, of course, implement the stated purpose of the Framers by selecting the policy which in its judgment best effectuates the constitutional aim.”<sup>39</sup> From the viewpoint of institutional competence, it seems that “Congress is better situated than is the Court not only to make the policy determination of what constitutes the progress of knowledge, but to judge what means best achieve that goal.”<sup>40</sup> Thus, the courts may willingly allow Congress to redefine “inventor” to mean the “first to file.”

Congress itself debated the possibility that the term “inventor” could limit the scope of congressional power. When considering the Plant Patent Act, Congress debated whether the discoverer of a new plant variety could be viewed as an “inventor” even though she would have merely found the plant and would not have created it.<sup>41</sup> Congress concluded, however, that the term “inventor” could be given an elastic definition.<sup>42</sup>

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of these kinds of congressional findings therefore should be extremely differential.

*Id.* at 375. An issue similar to the first-to-invent issue exists in the copyright context – authorship for works-for-hire are granted to the employer, not the employee. See 17 U.S.C. § 101 (defining work for hire). Works are considered made for hire if they are within the scope of the employee’s employment or if they were specifically ordered or commissioned for use as part of a collective work, so long as the parties expressly agree as such. *Id.* See generally Justin Hughes, *The Personality Interest of Artists and Inventors in Intellectual Property*, 16 CARDOZO ARTS & ENT. L.J. 81, 149 (1998). Thus, works-for-hire are substantively different than “shop rights” under patent law, where the employer receives a limited right to use the invention but the inventor-employee retains the rights in the patent. See *McElmurry v. Arkansas Power & Light Co.*, 995 F.2d 1576, 1580-82 (Fed. Cir. 1993). This is also in sharp contrast to patent laws assignment provisions, where patent may issue to the assignee of the inventor, but the status of inventor is *never* given to the employer. See 35 U.S.C. § 152 (1994). If the Constitution considers the author to be the person or persons who engaged in the creative activity, then the work-for-hire doctrine in its present form could be unconstitutional for granting the copyright to a non-author. Some scholars, however, view the work-for-hire provisions as merely a form of implied license. See David Nimmer, *Copyright Ownership by the Marital Community: Evaluating Worth*, 36 UCLA L. REV. 383, 405-06 (1998) (arguing that, because the work-for-hire language is more akin to an implied assignment than an unconstitutional automatic divestment of the copyright, the provision is constitutional).

<sup>37</sup> *Deepsouth Packing Co. v. Laitram Corp.*, 406 U.S. 518, 530 (1972).

<sup>38</sup> *Graham v. John Deere Co.*, 383 U.S. 1, 5 (1966).

<sup>39</sup> *Id.* at 6.

<sup>40</sup> Ginsburg, *supra* note 35, at 378.

<sup>41</sup> See *id.* at 376.

<sup>42</sup> See S. REP. NO. 315 (1930).

The courts have yet to define the meaning of the term “inventor” in the Patent Clause. With respect to the Plant Patent Act, no one has challenged the constitutionality of granting exclusive rights to the “finders” of plant varieties. Moreover, the issue of what subject matter is properly within the scope of discovery so as to constitute an “inventor” is markedly different than deciding whether “inventor” is defined as the first to create or the first to file. Given that historically the inventor has been viewed as first to create, then such tradition may suggest a constitutionally rooted requirement that would preclude a first to file system and thus thwart harmonization efforts.

## 2. Useful Arts

The Patent Clause expressly contemplates that patents be awarded for advances in the “useful arts.” The provision regarding the “useful arts” arguably could be a substantive limitation on what subject matter should be eligible for patent protection. As Professor John Thomas has noted, at the time of the adoption of the Constitution, the term “useful arts” likely contrasted with the seven “liberal arts” and the four “fine arts.”<sup>43</sup> As such, arguably the U.S. Constitution limits the patent system to things related to roughly “technology.”<sup>44</sup> But seeking an adequate definition of “useful arts” is problematic.<sup>45</sup>

Supreme Court decisions in the early 1980s, however, have resulted in an expansive interpretation of patent-eligible subject matter. Recognizing that “[t]he Constitution grants Congress broad power”<sup>46</sup> under the Patent Clause, the Court noted, “Congress intended statutory subject matter to ‘include anything under the sun

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<sup>43</sup> John R. Thomas, *The Patenting of the Liberal Professions*, 40 B.C. L. REV. 1139, 1164 (1999). The seven liberal arts were grammar, logic, rhetoric, arithmetic, geometry, music and astronomy; the four fine arts were painting, drawing, architecture, and sculpture. See Robert I. Coulter, *The Field of the Statutory Useful Arts, Part II*, 34 J. PAT. OFF. SOC'Y 487, 494-96 (1952).

<sup>44</sup> See Thomas, *supra* note 43, at 1166; see also Vincent Chiapetta, *Patentability of Computer Software Instruction as an “Article of Manufacture:” Software as Such as the Right Stuff*, 17 J. MARSHALL J. COMPUTER & INFO. L. 89, 129 (“Under this reading, the useful arts, and therefore the maximum Constitutional reach of the United States patent law, are limited to the practical application of knowledge and learning to the industrial arts, that is to the creation of specific tools, products and procedures for performing activities such as the creation of new things, arrangements of things or relationships between things.”).

<sup>45</sup> See *id.* at 130 (“The difficulty comes in determining what is in and what is out . . . . Judicial attempts to refine the ‘useful arts means technology’ definition for application generally reflect one of two approaches: exclusion of entire classes of non-technological activities and exclusion of inventions deemed too inchoate to qualify as technology. Both have been largely unsuccessful in the software arena . . .”).

<sup>46</sup> *Diamond v. Chakrabarty*, 447 U.S. 303, 307 (1980).

that is made by man.’”<sup>47</sup> While demonstrating that Congress intended broad scope to the patent laws, the question still remains whether the “useful arts” language in the Patent Clause substantively limits congressional authority. Simply because Congress wanted such broad scope does not mean that it has the *power* to enact such a statute under the Constitution.<sup>48</sup>

This potential limitation brings into consideration the patentability of business methods, patents that are currently available in the United States. The landmark case *State Street Bank and Trust Co. v. Signature Financial Group, Inc.*<sup>49</sup> opened the floodgates for such patents. While one member of the U.S. Supreme Court has implicitly questioned the patentability of business method patents,<sup>50</sup> the U.S. Congress implicitly has embraced the patentability of such subject matter by enacting a patent infringement defense that is available only to those accused of infringing business method patents.<sup>51</sup> If Congress believed such patents were outside the patent system, either statutorily or constitutionally, then such a defense would not be required. The Supreme Court could conclude, however, that these devices are unconstitutional as not within the category of useful arts.

The patentability of business methods has encountered greater resistance overseas.<sup>52</sup> In most other countries, the equivalent of the U.S.’s “utility” and “useful arts” requirements is the “industrial applicability” standard.<sup>53</sup> “Utility” and “industrial applicability” may not be coextensive, and if utility is a constitutional standard, it could pose a barrier to potential harmonization efforts. Some have argued, however, that the useful arts requirement in the U.S. Constitution should be interpreted similarly so as

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<sup>47</sup> *Id.* at 309 (quoting S. Rep. No. 1979, 82d. Cong., 2d. Sess., 5 (1952); H.R. Rep. No. 1923, 82d. Cong., 2d. Sess., 6 (1952)).

<sup>48</sup> *Cf.* Chiapetta, *supra* note 44, at 130 (“Such a sweeping statement is clearly at odds with the above interpretation of the Patent Clause itself, with only the more limited class of technological activities falling within the useful arts.”).

<sup>49</sup> 149 F.3d 1368 (Fed. Cir. 1998).

<sup>50</sup> *See* Excel Communications, Inc. v. AT&T Corp., 528 U.S. 946 (1999) (Stevens, J.) (“The importance of the question presented in this certiorari petition makes it appropriate to reiterate the fact that the denial of the petition does not constitute a ruling on the merits.”). In *AT&T*, the Federal Circuit applied *State Street* to allow a patent on a method for converting data without any claim to some sort of “machine.” *See* AT&T Corp. v. Excel Communications, Inc., 172 F.3d 1352, 1358-59 (Fed. Cir. 1999).

<sup>51</sup> *See* 35 U.S.C. § 273 (1994).

<sup>52</sup> *See* Michael Guntersdorfer, *Software Patent Law: United States and Europe Compared*, 2003 DUKE L. & TECH. REV. 6, ¶ 3.

<sup>53</sup> *See, e.g.*, Convention on the Grant of European Patents, 13 I.L.M. 271 (1974); Hungarian Law of 1995 on the Protection of Inventions by Patent, art. 5, at <http://www.hpo.hu/> (last visited Feb. 19, 2004) (“An invention shall be considered susceptible of industrial application if it can be made or used in any kind of industry or agriculture.”).

to require that an invention have industrial applicability in order to be eligible for patent protection.<sup>54</sup> If it were so interpreted, then the Patent Clause provides no limit to harmonization of our laws with the international community.

### 3. Discovery

The Patent Clause permits Congress to grant exclusive rights to inventors for their “Discoveries.” This grant of power is statutorily recognized in 35 U.S.C. § 100, in which invention is defined as “invention or discovery.” The Supreme Court has acknowledged that, as a constitutional requirement, Congress cannot remove an invention from the public domain, seemingly implicating the term “discovery.”<sup>55</sup>

Internationally, however, the word “discovery” is treated distinctly from “invention.” In many patent systems, only inventions are patentable; discoveries are not.<sup>56</sup> This distinction may not seem significant, but it has been a significant factor in the debate over the patentability of isolated human genes.<sup>57</sup> Patents on human genes are patentable<sup>58</sup> in the United States so long as they satisfy the other patentability criteria: utility,<sup>59</sup> novelty,<sup>60</sup> nonobvi-

<sup>54</sup> See Thomas, *supra* note 43, at 1179-80.

<sup>55</sup> *But see* Brief for Petitioner at \*21, *Eldred v. Reno*, 537 U.S. 186 (2003) (No. 01-618). The petitioners at the Supreme Court contended that the proscription on removing knowledge from the public domain is rooted in the language “promote progress in the useful arts”:

There is no “public domain” clause in the Copyright Clause, and absent the requirement that patents “promote the Progress of . . . useful Arts,” there is no textual reason why Congress today could not grant a patent to an “Inventor” for his “Discover[y]” just because that discovery has already passed into the public domain. . . . Yet as this Court has held, in light of the “limitations” built into the clause, “monopolies” are not permitted under the Copyright Clause when there is no “concomitant advance in the ‘Progress of Science and useful Arts.’” *Bonito*, 489 U.S. at 146 (emphasis added).

*Id.*

<sup>56</sup> See, e.g., European Patent Convention, art. 52(2); Hungarian Law on the Protection of Inventions by Patents, art. 1, § 2(a), available at <http://www.hpo.hu/Magyar/tpjvtv/shlaw.cgi?e9533:1pC> (last visited Feb. 19, 2004) (noting “discoveries, scientific theories, and mathematical methods” are not patentable); United Kingdom Patent Office, at <http://www.patent.gov.uk/patent/howtoapply/index.htm> (last visited Feb. 19, 2004) (noting that discoveries are not patentable). See generally Carlos M. Correa, *Internationalization of the Patent System and New Technologies*, 20 WISC. INT’L L.J. 523, 528 (2002); Ikechi Mgbеoji, *Patents And Traditional Knowledge Of The Uses Of Plants: Is A Communal Patent Regime Part Of The Solution To The Scourge Of Bio Piracy?*, 9 IND. J. GLOBAL LEGAL STUD. 163, 181 n.74 (2001).

<sup>57</sup> Even within the United States, the issue of whether patents should be available for discoveries of materials that exist in nature (but which have been purified) has been controversial. See, e.g., Linda J. Demaine and Aaron Xavier Fellmeth, *Reinventing the Double Helix: A Novel and Nonobvious Reconceptualization of the Biotechnology Patent*, 55 STAN. L. REV. 303, 331-60 (2002) (tracing the controversial evolution of the “isolated and purified” approach to eligible subject matter).

<sup>58</sup> See Utility Examination Guidelines, 66 Fed. Reg. 1092-93 (Jan. 5, 2001).

<sup>59</sup> 35 U.S.C. § 101 (2003).

ousness,<sup>61</sup> and the disclosure requirements – written description, enablement, and best mode.<sup>62</sup> With the distinction between an “invention” versus “discovery,” a gene, as naturally occurring, may be viewed as merely an unpatentable discovery.<sup>63</sup> The isolation of a gene from a human may not be viewed as properly eligible for patent protection as a result. Therefore, the scope of protection permissible under the Constitution is broader than what is patentable abroad. Thus, conceivably Congress could narrow the field of eligible subject matter by limiting patents to inventions and not both inventions and discoveries to comport with international standards.

#### 4. Limited Times

The Patent Clause also requires that the afforded exclusive rights be only for “limited Times.” The courts have made clear that this means there cannot be indefinite patent protection.<sup>64</sup> The exact term of patents is not specified, however, and thus is left to the discretion of Congress. The patent term in fact has varied over time in the United States. The most recent change occurred with the adoption of the TRIPS agreement, by which the United States changed its patent term from seventeen years from issuance to twenty years from the date the application for a patent is filed.<sup>65</sup>

A potential question related to the “limited Times” provision of the Patent Clause regards the use of patent term extensions. Congress has provided for patent term extensions for extant patents in a variety of situations.<sup>66</sup> Suppose, however, that Congress perpetually extended the patent term every year to an additional year. Effectively, the patent term would become indefinite. Would this approach violate the limited times provision?

The Supreme Court recently concluded that term extensions for copyrights do not violate the limited times provision. In *Eldred v. Reno*, the petitioner challenged the constitutionality of the

<sup>60</sup> 35 U.S.C. § 102 (2003).

<sup>61</sup> 35 U.S.C. § 103 (2003).

<sup>62</sup> 35 U.S.C. § 112(1) (2003). The best mode requirement in the United States is also another significant difference between the U.S. and the patent systems of other countries. The requirement for disclosure of the best mode does not seem rooted in the U.S. Constitution in any way and thus could readily be eliminated in order to achieve harmonization.

<sup>63</sup> This issue has caused considerable debate within Europe. See Donna M. Gitter, *International Conflicts Over Patenting Human DNA Sequences in the United States and the European Union: An Argument for Compulsory Licensing and a Fair-Use Exemption*, 76 N.Y.U. L. REV. 1623, 1648-49 (2001).

<sup>64</sup> Cf. *Eldred v. Reno*, 239 F.3d 372, 377 (D.C. Cir. 2001) (“If the Congress were to make copyright protection permanent, then it surely would exceed the power conferred upon it by the Copyright Clause.”).

<sup>65</sup> See 35 U.S.C. § 154(a)(2) (2003); TRIPS art. 33.

<sup>66</sup> See 35 U.S.C. §§ 154-156 (2003).

Sonny Bono Copyright Term Extension Act (“CTEA”), which extended the copyright term for future and existing works by twenty years. The United States Court of Appeals for the District of Columbia rejected the argument that retroactive extensions of copyright term violate the “limited Times” requirement of the Copyright Clause. The court recognized that a permanent copyright protection would be unconstitutional, but here the term extension still results in a limited term.<sup>67</sup> Moreover, the majority noted that the extension is also a “necessary and proper” exercise of Congress’s power because, for example, Congress had concluded such extensions would encourage the preservation of older works and would promote international harmonization.<sup>68</sup> The dissent countered that Congress has violated the “limited Times” language of the Copyright Clause because “there is no apparent substantive distinction between permanent protection and permanently available authority to extend originally limited protection.”<sup>69</sup>

The Supreme Court agreed with the majority.<sup>70</sup> The Court first rejected the argument that the term extensions violated the “limited Times” provision of the Constitution: “Text, history, and precedent, we conclude, confirm that the Copyright Clause empowers Congress to prescribe ‘limited Times’ for copyright protection and to secure the same level and duration of protection for all copyright holders, present and future.”<sup>71</sup> Rejecting the petitioners’ argument that extending the terms of existing copyrights would violate the limited times requirement, the Court reasoned that “a time span appropriately ‘limited’ as applied to future copyrights does not automatically cease to be ‘limited’ when applied to existing copyrights.”<sup>72</sup> Moreover, “Petitioners’ argument essentially reads into the text of the Copyright Clause the command that a time prescription, once set, becomes forever ‘fixed’ or ‘inalterable.’ The word ‘limited,’ however, does not convey a meaning so constricted.”<sup>73</sup> Congress’ purpose in granting the extension was not to end run the limited times provision,<sup>74</sup> but instead to ensure that present and future copyright holders are treated equally<sup>75</sup> and

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<sup>67</sup> See *Eldred v. Reno*, 239 F.3d 372, 377 (D.C. Cir. 2001).

<sup>68</sup> See *id.* at 378-79.

<sup>69</sup> *Id.* at 382. (Sentelle, J., dissenting).

<sup>70</sup> *Eldred v. Ashcroft*, 537 U.S. 186 (2003).

<sup>71</sup> *Id.* at 778.

<sup>72</sup> *Id.*

<sup>73</sup> *Id.*

<sup>74</sup> See *id.*

<sup>75</sup> See *id.* at 780.

to harmonize U.S. copyright terms with the European Union.<sup>76</sup> The Court concluded that the CTEA was an appropriate exercise of Congress power given the deference courts afford it in administering intellectual property laws.<sup>77</sup>

The importance of *Eldred* to patent law should be apparent. If the extensions challenged in *Eldred* had been held invalid under the limited times provision, then patent term extensions for existing patents might also be invalid.<sup>78</sup> In fact, the Supreme Court in *Eldred*, recognizing this reality, relied upon various patent cases to support its conclusion that the extension of the copyright term was constitutional.<sup>79</sup> The Court noted that various patent term extensions were deemed constitutional, offering historical support for its conclusion.<sup>80</sup>

The Petitioners and the dissenting opinions of Judge Sentelle and Justices Stevens and Breyer offer a compelling argument, however. If Congress can continuously extend patent and copyright terms as those inventions and writings are about to enter the public domain, then in essence the “limited Times” provision of the Patent and Copyright Clause is meaningless. Thus, generally, such term extensions should be viewed as unconstitutional.

Assuming *Eldred* was wrongly decided, however, not all patent term extensions would necessarily fall under this analysis. For example, the patent law specifically provides the right to extend patent terms for inventions that are caught up in regulatory or other administrative delays.<sup>81</sup> Such delays can negatively impact the value of a patent when the term is tied to the application date – currently twenty years from the date of application – because the term is running even though the patentee is unable to practice his invention due to regulatory delays. In this circumstance, the quid

<sup>76</sup> See *id.* at 781.

<sup>77</sup> See *id.* at 781-82.

<sup>78</sup> For an argument why, even if *Eldred* invalidated the CTEA, patent term extensions might not violate the limited times provision, see *infra* note 81 and accompanying text.

<sup>79</sup> See *Eldred*, 537 U.S. at 201 (“Because the Clause empowering Congress to confer copyrights also authorizes patents, congressional practice with respect to patents informs our inquiry. We count it significant that early Congresses extended the duration of numerous individual patents as well as copyrights.”).

<sup>80</sup> See *id.* at 779.

<sup>81</sup> See 35 U.S.C. § 154(b) (providing extensions of patent term for delays occurring during pendency of an application at the Patent and Trademark Office); 35 U.S.C. § 355 (extending term for inventions subject to regulatory review by the Federal Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act, which prohibits sales of covered goods until regulatory approval is granted); 35 U.S.C. § 156 (extension for inventions generically subject to regulatory approval). The extensions for delays during pendency of the application at the Patent and Trademark Office also would not run afoul of the problem of granting extensions to existing patents because, as the patent has yet to issue, the patent rights have not been realized and thus do not yet exist.

pro quo is disrupted by an external force – regulatory delays – and not anything that relates directly to the patent system itself. The extension is thus not a windfall, but instead designed to provide the compensation that *should* have been afforded in the absence of such regulatory hurdles. Extensions in this context continue to compensate the inventor for his investment and should not be viewed as a violation of the “limited Times” provision. Overall, though, retroactive extensions by Congress should violate the limited times provision.

As the *Eldred* case demonstrates, changes in the term of patents and copyrights are often prompted by the need to harmonize our laws internationally. The *Eldred* decision suggests that the Patent and Copyright Clause will not be an obstacle to such endeavors in the future, although the Court’s conclusion seems to be incorrect. The Clause would preclude, however, an infinite term. If, in the context of international harmonization, a perpetual copyright or patent is required for harmonization to occur, such efforts would run afoul of the limited times provision.

### 5. “Promote the Progress”

The final limitation to be considered is actually found at the beginning of the Patent Clause. Article I grants Congress the power to “promote the Progress of the . . . useful Arts.” If a law or act does not promote the useful arts, then would it be unconstitutional?<sup>82</sup> The courts have not decided conclusively, however, the extent to which the phrase “promote the Progress” limits Congress’s legislative powers.<sup>83</sup>

The Supreme Court’s decision in *Eldred*, although a copyright case, again elucidates the issues surrounding the preamble. The petitioners at the Supreme Court argued that the “limited Times” provision must be read in light of the preamble.<sup>84</sup> Thus, a retroac-

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<sup>82</sup> See, e.g., Bagley, *supra* note 31, at 741; Michael T. Hawkins, Comment, *Prosecution Laches in the Wake of Symbol Technologies: What is “Unreasonable And Unexplained” Delay?*, 87 MINN. L. REV. 1621, 1647-48 (2003) (suggesting that “[b]ecause the constitutional authority for Congress to enact the patent laws requires a purpose to ‘promote the Progress of Science and useful Arts,’ one must question . . . an interpretation of the patent laws [that] encourages an applicant to ‘submarine’ an industry, ‘would materially retard the progress of science and the useful arts, and give a premium to those who should be least prompt to communicate their discoveries’” (quoting *Pennock v. Dialogue*, 27 U.S. 1, 19 (1829))).

<sup>83</sup> It is unclear whether the appropriate constitutional standard would be that the act *must* promote the progress of the sciences and useful arts, or alternatively that it simply cannot *inhibit* such progress (but a law neutral to promotion would be allowed). The former, more inclusive test would be appropriate, although the standard for “progress” would be low.

<sup>84</sup> See Brief for Petitioner at \*16-17, *Eldred* (No. 01-618) (“These two parts of the Copyright Clause were plainly meant to function together. The means specified in the rights

tive extension of the copyright term cannot “promote the Progress” of knowledge because *the work already exists*. The added term cannot provide an incentive to create because the work is already extant. Petitioners also contended that the language “promote the Progress” is the root of the constitutional prohibition on Congress from removing knowledge from the public domain, instead of the terms “Inventor” or “Discoveries.”<sup>85</sup>

The D.C. Circuit previously had “rejected the argument ‘that the introductory language of the Copyright Clause constitutes a limit on Congressional power’”<sup>86</sup> in the case *Schnapper v. Foley*.<sup>87</sup> The dissenting judge in *Eldred* sharply disagreed, noting, “[t]he clause is not an open grant of power to secure exclusive rights. It is a grant of a power to promote progress.”<sup>88</sup> Judge Sentelle noted that “the power granted by the clause . . . is the power ‘to promote the progress of science and useful arts. . . . The government has offered no tenable theory as to how retrospective extension can promote the useful arts.’”<sup>89</sup> Judge Sentelle also rejected the majority’s interpretation of *Schnapper*, viewing that case as holding that an *individual* copyright does not have to promote progress in the sciences, but not that Congress had limitless power to adopt any system.<sup>90</sup> In other words, the *system* must promote progress, even if a specific, individual copyright may somehow impede – or at least not promote – such progress. Thus, “the *Schnapper* holding that each individual application of copyright protection need not promote the progress of science . . . does not mean that Congress’s power is otherwise unlimited.”<sup>91</sup> In this case, the retroactive extension of the copyright term cannot promote progress because the work already exists.

The Supreme Court, while not endorsing the view of the majority in the D.C. Circuit, simply rejected Eldred’s argument be-

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part (‘by securing for limited Times . . . exclusive Right’) were set against the ends specified in the progress part (‘to promote the Progress of Science’), so that the limited purpose for which monopolies could be granted would be clear, and not ‘forgotten.’”).

<sup>85</sup> See *supra* note 55.

<sup>86</sup> *Eldred v. Reno*, 239 F.3d 372, 378 (D.C. Cir. 2001) (quoting *Schnapper v. Foley*, 667 F.2d 102, 112 (D.C. Cir. 1981)), *aff’d sub. nom.*, *Eldred v. Ashcroft*, 537 U.S. 186 (2003); see also *Hutchinson Telephone Co. v. Fronteer Directory Co. of Minnesota, Inc.*, 770 F.2d 128, 130-31 (8th Cir. 1985) (“We agree with Professor Nimmer that although the promotion of artistic and scientific creativity and the benefits flowing therefrom to the public are purposes of the Copyright Clause, those purposes do not limit Congress’s power to legislate in the field of copyright.”).

<sup>87</sup> 667 F.2d 102 (D.C. Cir. 1981).

<sup>88</sup> *Eldred*, 239 F.3d at 381 (Sentelle, J., dissenting).

<sup>89</sup> *Id.* at 382 (Sentelle, J., dissenting). Judge Sentelle does seem to confuse the terms “science” and “useful art,” as useful art refers to the patent system and not copyrights.

<sup>90</sup> See *id.* at 382-83 (Sentelle, J., dissenting).

<sup>91</sup> *Id.* at 383 (Sentelle, J., dissenting).

cause “[t]he justifications that motivated Congress to enact the CTEA . . . provide a rational basis for concluding that the CTEA ‘promote[s] the Progress of Science.’”<sup>92</sup> The Court, therefore, did not reach the issue of whether the preamble limits Congress’ power with respect to the patent and copyright systems. Instead, the Court simply stated that the CTEA satisfied any arguable limitation.

Although the Court did not expressly conclude whether the preamble constitutes a limitation on congressional power, it has suggested in patent cases that the preamble does provide such a limit. The Court has noted “the terms ‘to promote’ are synonymous with the words ‘to stimulate,’ ‘to encourage,’ or ‘to induce.’”<sup>93</sup> In discussing Congress’ power with respect to the patent laws, the Supreme Court stated that this phrase is a limitation on the power of Congress. Specifically, the Court concluded, “[t]he clause is both a grant of power and a limitation”<sup>94</sup> and that Congress “may [not] enlarge the patent monopoly without regard to the innovation, advancement or social benefit gained thereby.”<sup>95</sup> The proscription on the removal of inventions from the public domain likely is rooted in this preamble, at least in part, as it textually does not fit anywhere else in the clause. The Supreme Court tied these requirements to the preamble by noting:

Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must ‘promote the Progress of. . . useful Arts.’ This is the standard expressed in the Constitution and it may not be ignored.<sup>96</sup>

Subsequent to *Graham*, the Court again emphasized the key role that the patent system plays in promoting progress in the useful arts. In *Bonito Boars, Inc. v. Thunder Craft Boats, Inc.*,<sup>97</sup> the Court again emphasized that Congress cannot remove information from the public domain because it would thwart progress. Noting that Thomas Jefferson – the “driving force behind early federal patent policy” – “viewed a grant of patent rights in an idea already disclosed to the public as akin to an *ex post facto* law” that would inhibit innovation,<sup>98</sup> the Court reasoned that “[t]he novelty and nonobvi-

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<sup>92</sup> *Eldred*, 537 U.S. at 213.

<sup>93</sup> *Goldstein v. California*, 412 U.S. 546, 555 (1973).

<sup>94</sup> *Graham v. John Deere Co.*, 383 U.S. 1, 5 (1966).

<sup>95</sup> *Id.* at 6.

<sup>96</sup> *Id.* at 6.

<sup>97</sup> 489 U.S. 141 (1989).

<sup>98</sup> *Id.* at 147.

ousness requirements of patentability embody a congressional understanding, *implicit in the Patent Clause itself*, that free exploitation of ideas will be the rule, to which the protection of a federal patent is the exception.”<sup>99</sup> The Supreme Court therefore views the Patent Clause, and particularly the requirement that such laws promote the progress of the useful arts, as limiting the power of Congress.<sup>100</sup>

The language “to promote the Progress of Sciences and useful Arts” should serve as a limitation. To say that it is merely prefatory or aspirational would write the words right out of the Constitution<sup>101</sup> – a conclusion that belies the inclusion of the words in the Constitution in the first place. The threshold of establishing whether an act of Congress promotes the progress of the sciences and useful arts, however, would be low. The Constitution does not detail to what level such progress must be achieved. In reality, measuring progress would be a rather difficult thing to do, as no metric readily exists. In patent law, the standard is clearly low, regardless of the unit of measure. For example, the utility requirement for a patent does not require that an invention be *better* than the prior art – just different.<sup>102</sup> Even if the invention works *less efficiently* than the prior art, so long as it is sufficiently different (i.e., novel and nonobvious), then the patent should be granted, and progress would be achieved. Why? Because that different approach may actually generate greater progress downstream in a two-steps backward, three-steps forward approach. Innovation is often thought of as two-dimensional – either the scientific endeavors of the field improve, or they do not. This is similar to the linear view of evolution – that a species gradually evolves into something different.

The alternative view – that evolution occurs in relative bursts with varying branches for each species<sup>103</sup> – is a better way to con-

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<sup>99</sup> *Id.* at 151 (emphasis added).

<sup>100</sup> See Hughes, *Databases*, *supra* note 12, at 173. The idea of a constitutionally protected public domain, from which the public has a right to copy information and inventions, also appears to be rooted in the preamble. See Tyler T. Ochoa, *Origins and Meanings of the Public Domain*, 28 U. OF DAYTON L. REV. 215, 247-56 (2003) (discussing various Supreme Court cases suggesting that the public domain is protected by the Patent and Copyright Clause).

<sup>101</sup> See L. Ray Patterson, Eldred v. Reno: *An Example of the Law of Unintended Consequences*, 8 J. INTELL. PROP. L. 223, 237 (2001) (“Yet, it is difficult to believe that the Framers would include in the Constitution language that has no meaning. . .”).

<sup>102</sup> See *Lowell v. Lewis*, 15 F. Cas. 1018-1019 (Cir. Ct., D. Mass. 1817); see also MARTIN ADELMAN ET AL., PATENT LAW 183 (1998) (“Justice Story’s remarks in *Lowell v. Lewis* should drive home the fact that the patent system is not necessarily looking for something better; just something different.”).

<sup>103</sup> PAUL R. EHRLICH, HUMAN NATURES: GENES, CULTURES, AND THE HUMAN PROSPECT 59-60 (2000) (noting that “periods of evolutionary equilibrium were ‘punctuated’ by periods of simultaneous rapid change within species and a proliferation of new species”). This

sider innovation. This theory is that evolution occurs in spurts, with lots of branches of a species diverging, where some lines survive and others do not. The same likely is true of innovation – a variety of paths are tried, some of which work and some of which do not. In order to get to one of these paths, though, an innovator may actually have to take what appears to be a step back. This step back, though, may open the doors to an entirely new way of doing things in the art field and, thus, cause a leap in innovation. As such, a relatively low threshold for progress is appropriate under the Constitution.

The argument that retroactive term extensions cannot serve to promote progress because the work or invention already exists merits further consideration. The reasoning behind this argument is simple: the work already exists, so awarding an additional term is a windfall, not a reward. The additional term does nothing to promote progress of the sciences because the writings at issue *are already in existence*.<sup>104</sup>

Rhetorically, this argument has great force, but it goes too far. For example, as is relevant here, suppose Congress wants to expand the list of exclusive rights afforded under a patent in response to a treaty that seeks to harmonize our patent law with that of another country or countries. Expanding the number of rights is akin to extending the term of a patent or copyright. Property rights can be viewed in terms not only of the exclusive rights granted (or removed) but also the duration of those rights.<sup>105</sup> Thus, if it is true that the extension of the patent term serves as a violation of the preamble of the Patent Clause, then it also stands that Congress could not expand the exclusive rights granted to current patent holders. For example, the expansion of exclusive rights under TRIPS to exclude others from offering to sell or importing the invention<sup>106</sup> would be unconstitutional as applied to

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theory is called “punctuated equilibrium,” and “states that evolutionary change happens in bursts.” *Id.* at 60.

<sup>104</sup> See Heald and Sherry, *supra* note 20, at 1169 (“A retroactive grant of copyright protection cannot ‘promote the Progress of Science’ in the way intended by the framers of the Constitution.”).

<sup>105</sup> Cf. *First English Evangelical Lutheran Church of Glendale v. County of Los Angeles*, 482 U.S. 304, 332 (1987) (Stevens, J., dissenting) (“Why should there be a constitutional distinction between a permanent restriction that only reduces the economic value of the property by a fraction perhaps one-third and a restriction that merely postpones the development of a property for a fraction of its useful life – presumably far less than a third?”). Thus, the time and the exclusive rights afforded for that time are intimately intertwined. An expansion of the time to use a set of exclusive rights is akin to granting additional rights to be used during a fixed period of time.

<sup>106</sup> See 35 U.S.C. § 271(a) (2003).

existing patents. Any expansion of rights could only be applied prospectively.

This view is untenable. The argument that the extended term cannot serve as an incentive for additional production – and instead is pure windfall – ignores that the form of the “reward” is merely a timing issue. The traditional view is that the patent or copyright term affords the rightsholder to recoup her costs for creating the work or invention. That recoupment, however, can easily be used to pay for, and promote new works or inventions. Thus, “recoupment” is also a potential spur for new innovation, reducing the issue of the reward/windfall argument to one merely of timing. The extended term can give an inventor an incentive to invest in further innovation, thus further promoting progress. Thus, the retroactive grant of an additional term can foster greater innovation and satisfy the limitations posed by the preamble of the Patent and Copyright Clause.

The expansion of the exclusive rights would act in a similar fashion as an expansion of the patent term if applied to existing patents. Congress has added (with retroactive effect) a number of exclusive rights in the patent field in addition to the exclusive rights discussed above,<sup>107</sup> such as affording infringement liability for the importation products made by patented processes,<sup>108</sup> for supplying “all or a substantial portion of the components of a patented invention”<sup>109</sup> which are assembled outside of the United States to form a device that would infringe if assembled in the United States,<sup>110</sup> for the supplying of a component with no non-infringing uses that will be combined outside of the United States to create a combination that would infringe if created in the United States,<sup>111</sup> and provisional rights for infringements occurring after the application has been published but before the patent issues.<sup>112</sup> These provisions, applied retroactively, could be viewed as a windfall – the patentee did not know at the time of invention that her set of exclusive rights—and thus the number of potential infringers or licensees—would expand, providing more opportunities for her to recoup her investment in the invention. These new

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<sup>107</sup> See *id.* and accompanying text.

<sup>108</sup> See 35 U.S.C. § 271(g) (2003). Section 271(g) was added in 1998. See Pub. L. 100-418.

<sup>109</sup> 35 U.S.C. § 271(f)(1) (2003).

<sup>110</sup> *Id.*

<sup>111</sup> 35 U.S.C. § 271(f)(2) (2003). Sections 271(f)(1) and (2) were adopted by Congress in 1988 to overrule in part *Deepsouth Packing Co. v. Laitram*, 406 U.S. 518 (1972). See *Amstar Corp. v. Envirotech Corp.*, 823 F.2d 1538, 1546 (Fed. Cir. 1987).

<sup>112</sup> 35 U.S.C. § 154(d) (2003).

forms of infringement foster further innovation by affording the patentee this greater recoupment by providing resources for further innovation. As such, from a systemic viewpoint, the extension of the term or the addition of exclusive rights is a proper means to promote progress.

The threshold required to show that the limitations of the preamble have been satisfied is low. The Court has granted Congress broad discretion in enacting such legislation. Moreover, when assessing an act of Congress, it is necessary to take a systemic look at the statute and not focus on whether an individual patent or copyright has promoted progress in the sciences and useful arts. All of these realities counsel that retroactive extensions of the copyright or patent term should satisfy the preamble of the Patent and Copyright Clause because there could be further innovation due to the award of additional patent term, just as there may be from granting additional exclusive rights.

Harmonization may play a unique role in analyzing the preamble. The government and the D.C. Circuit in *Eldred* have suggested that harmonization alone can be sufficient to satisfy the requirement of promotion of the sciences and useful arts. The D.C. Circuit recognized that harmonization alone can serve important policy interests:

[I]n an era of multinational publishers and instantaneous electronic transmission, harmonization in this regard has obvious practical benefits for the exploitation of copyrights. This is a powerful indication that the CTEA is a “necessary and proper” measure to meet contemporary circumstances rather than a step on the way to making copyrights perpetual; the force of the evidence is hardly diminished because . . . the EU is not bound by the Copyright Clause of our Constitution.<sup>113</sup>

The *Eldred* court also concluded, however, that the preamble of the Patent and Copyright Clause is not a source of limits on Congressional power.<sup>114</sup> Regardless, the Court seems to suggest that the interest in harmonizing intellectual property laws at the international level could, in and of itself, satisfy any potential limitation contained within the Patent and Copyright Clause requiring promotion of the progress of science and useful arts.

Similarly, the Supreme Court relied on harmonization as support for its conclusion that the CTEA was constitutional. Specifi-

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<sup>113</sup> *Eldred v. Reno*, 239 F.3d 372, 379 (D.C. Cir. 2001), cert. granted sub nom. *Eldred v. Ashcroft*, 534 U.S. 1126 (2002), cert. amended 534 U.S. 1160 (2002).

<sup>114</sup> See *id.* at 378.

cally, the Court noted that the European Union's copyright law refused to grant the longer term afforded under law to authors of any nation who did not also grant the same term.<sup>115</sup> As such, the Court noted that,

[b]y extending the baseline United States copyright term to life plus 70 years, Congress sought to ensure that American authors would receive the same copyright protection in Europe as their European counterparts. The CTEA may also provide greater incentive for American and other authors to create and disseminate their work in the United States.<sup>116</sup>

The Court, therefore, was cognizant of the role its interpretation of the Copyright Clause would have in shaping harmonization efforts. The Court's view of harmonization is persuasive in assessing whether any limitations contained in the preamble are satisfied. Given that harmonization affords greater access to U.S. authors and inventors in foreign markets, the reward of the patent and copyright system (and thus the incentive to create or innovate) would be considerably greater. Thus, harmonization, as achieved pursuant to the Treaty Power, could necessarily satisfy any limit placed on Congress through its obligation to promote the progress of science and useful arts.

In summary, the preamble of the Patent and Copyright Clause does provide limitations on the power of Congress to act. The limitation, however, is slight and Congress has significant discretion in enacting laws to affect the goal of promoting progress of the sciences and useful arts. The other limitations of the clause, such as the limited times provisions and the requirement that Congress not remove anything from the public domain, contain significant restrictions on Congress' power.

#### B. *Can Congress Avoid the Limitations of One Clause by Resort to Another – Horizontal Constitutional Conflicts*

The Patent Clause clearly limits Congress' power with respect to the patent system. The extent of these limitations – and whether they are limitations – is open to some debate. Regardless, these limitations may conflict with Congress' other powers. If Congress is limited by the Patent Clause to legislate, could it resort to another enumerated power to avoid those prohibitions?<sup>117</sup> This is-

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<sup>115</sup> See *Eldred*, 537 U.S. at 205.

<sup>116</sup> *Id.* (footnote omitted).

<sup>117</sup> See *Graves*, *supra* note 1, at 210 ("When Congress has run up against the limitations

sue presents the possibility of horizontal conflicts in authority.<sup>118</sup> The Supreme Court has noted that, in the main, the lack of authority to enact legislation under one of the enumerated powers does not preclude the ability of Congress to enact the same legislation under a different enumerated power.<sup>119</sup> For example, although the Supreme Court invalidated an early version of federal trademark law in the *Trade-mark Cases*<sup>120</sup> because the Patent and Copyright Clause did not provide the proper authority,<sup>121</sup> our present trademark law, the Lanham Act, is undisputedly constitutional as a proper regulation of interstate commerce under the Commerce Clause.<sup>122</sup> Thus, although Congress could not enact a trademark law pursuant to the Patent and Copyright Clause, it could do so through the Commerce Clause.<sup>123</sup>

There is a distinction, however, between a lack of authority and an express limitation on Congress's power. In other words, where one provision contains an express limitation on Congressional power, and another is not so limited, can Congress act pursuant to the latter power to avoid the constraint? This issue has been addressed by the Supreme Court in the context of the Bankruptcy Clause. The Bankruptcy Clause provides that Congress shall have the power to "establish . . . uniform Laws on the subject of Bankruptcies throughout the United States."<sup>124</sup> In *Railway Labor*

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of the Intellectual Property Clause in the past, it has sought to circumvent them via the Commerce Clause.")

<sup>118</sup> I use this term to describe when two different enumerated powers may be in conflict, in contrast to a vertical constitutional conflict – federalism – that deals with the relationship between the federal and state governments.

<sup>119</sup> See, e.g., *Heart of Atlanta Motel, Inc. v. United States*, 379 U.S. 241, 250 (1964) (concluding that Civil Rights Act of 1964 was proper exercise of Congress' Commerce Clause power, although the Act was beyond the scope of Congress' power under § 5 of the Fourteenth Amendment).

<sup>120</sup> *The Trademark Cases*, 100 U.S. 82 (1879).

<sup>121</sup> The Court also invalidated the trademark law under the Commerce Clause, but expressly recognized that Congress could conceivably regulate trademarks pursuant to the Commerce Clause. See *United States v. Moghadam*, 175 F.3d 1269, 1278 (11th Cir. 1999) ("Although the 1876 Act did not survive due to the restrictive view of the Commerce Clause prevailing at that time, the Supreme Court's analysis in the *Trade-Mark Cases* stands for the proposition that legislation which would not be permitted under the Copyright Clause *could* nonetheless be permitted under the Commerce Clause, provided that the independent requirements of the latter are met." (emphasis in original)).

<sup>122</sup> See 15 U.S.C. § 1127 (defining "commerce" as "all commerce which may lawfully be regulated by Congress"). Interestingly, the Supreme Court recognized that Congress might have authority beyond the Commerce Clause to regulate trademarks pursuant to a treaty. See *The Trademark Cases*, 100 U.S. at 99 ("In what we have here said we wish to be understood as leaving untouched the whole question of the treaty-making power over trade-marks, and of the duty of Congress to pass any laws necessary to carry treaties into effect.").

<sup>123</sup> See GRAEME B. DINWOODIE AND MARK D. JANIS, *TRADEMARKS & UNFAIR COMPETITION LAW AND POLICY* 4-1 to 4-2 (forthcoming 2004) (draft on file with author).

<sup>124</sup> U.S. CONST. art. I, § 8, cl. 4.

*Executives' Ass'n v. Gibbons*,<sup>125</sup> the Supreme Court found unconstitutional a law directed towards a particular railway that required the railway to maintain, at its own expense, economic benefits to the employees of the railway who were not hired by other carriers.<sup>126</sup> The Court concluded that this bankruptcy legislation, targeted at an individual carrier, conflicted with the "uniformity" requirement of the Bankruptcy Clause.<sup>127</sup> The Court recognized that "[d]istinguishing a congressional exercise of power under the Commerce Clause from an exercise under the Bankruptcy Clause is admittedly not an easy task, for the two Clauses are closely related."<sup>128</sup> The Court functionally "defined 'bankruptcy' as the 'subject of the relations between an insolent or nonpaying or fraudulent debtor and his creditors, extending to his and their relief.'"<sup>129</sup> Here, by according priority to former employees over creditors, Congress was enacting a bankruptcy statute.<sup>130</sup> The Court expressly rejected that the law at issue could have been passed pursuant to the Commerce Clause:

Unlike the Commerce Clause, the Bankruptcy Clause itself contains an affirmative limitation or restriction upon Congress' power: bankruptcy laws must be uniform throughout the United States. Such uniformity in the applicability of legislation is not required by the Commerce Clause. Thus, if we were to hold that Congress had the power to enact nonuniform bankruptcy laws pursuant to the Commerce Clause, we would eradicate from the Constitution a limitation on the power of Congress to enact bankruptcy laws.<sup>131</sup>

The classification of the act as a bankruptcy law was thus crucial to the Court's analysis, and to its subsequent invalidation of the act as violating the uniformity limitation. Due to the limitation contained in the Bankruptcy Clause, Congress did not have the power to enact nonuniform laws under the Commerce Clause. In other words, the uniformity limitation in the Bankruptcy Clause transcended the Clause itself and trumped Congress' Commerce Clause authority. Consequently, the principle of *Railway Labor Executives'* would seem to have vast implications for other horizontal conflicts of federal power. Unfortunately, the Court did not articu-

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<sup>125</sup> 455 U.S. 457 (1982).

<sup>126</sup> *See id.* at 461-62.

<sup>127</sup> *Id.* at 465.

<sup>128</sup> *Id.*

<sup>129</sup> *Id.* at 466 (quoting *Wright v. Union Central Life Ins. Co.*, 304 U.S. 502, 513-14 (1938)).

<sup>130</sup> *See id.* at 467.

<sup>131</sup> *Id.* at 468-69 (citations omitted).

late a standard for applying the principle that the uniformity restriction reaches beyond the Bankruptcy Clause.

This principle thus begs the question of the intersection of the (at least arguable) limitations of the Patent Clause with the other enumerated powers of Congress, and particularly the Commerce Clause. Although these issues have not been addressed in the courts with respect to patent law, the Eleventh Circuit has addressed a horizontal conflict between the Copyright Clause and the Commerce Clause.<sup>132</sup> Unlike in *Railway Labor Executives*,<sup>133</sup> however, the Court found no conflict.<sup>133</sup> At issue in *United States v. Moghadam* was the constitutionality of the anti-bootlegging statute.<sup>134</sup> This act proscribes the unauthorized recording of a live musical performance, copying such a recording, transmitting such a recording, or distributing such a recording, if such activity is performed knowingly and for commercial advantage or private financial gain.<sup>135</sup> A violation of this provision is a criminal offense, although there is a civil remedy available as well.<sup>136</sup> Congress viewed enactment of this law as an exercise of its Copyright Clause power.<sup>137</sup> In order to qualify for copyright protection, however, a writing must be “fixed in any tangible medium of expression.”<sup>138</sup> The requirement that a work be “fixed” derives from the Copyright Clause’s requirement of a “Writing.”<sup>139</sup> Live musical performances, as the defendant argued, are not fixed and thus are arguably outside of the scope of the Copyright Clause.<sup>140</sup>

The Eleventh Circuit, however, rejected that argument and concluded that Congress did have authority under the Commerce Clause to enact the statute, noting that – even though it protects non-fixed live performances – the act was “not fundamentally inconsistent with the fixation requirement of the Copyright

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<sup>132</sup> See *United States v. Moghadam*, 175 F.3d 1269 (11th Cir. 1999). See generally Joseph C. Merschman, Note, *Anchoring Copyright Laws in the Copyright Clause: Halting the Commerce Clause End Run Around Limits on Congress’s Copyright Power*, 34 CONN. L. REV. 661, 661-62 (2002).

<sup>133</sup> See *Moghadam*, 175 F.3d at 1280.

<sup>134</sup> See 18 U.S.C. § 2319A (2000). The anti-bootlegging statute was adopted pursuant to TRIPS. See also *Moghadam*, 175 F.3d at 1272.

<sup>135</sup> See 18 U.S.C. § 2319A.

<sup>136</sup> See 17 U.S.C. § 1101 (1994). This provision lacks the requirement that the activity be performed for purposes of commercial advantage or private financial gain. See also *Moghadam*, 175 F.3d at 1272.

<sup>137</sup> See *Moghadam*, 175 F.3d at 1272.

<sup>138</sup> 17 U.S.C. § 102(a).

<sup>139</sup> See *Moghadam*, 175 F.3d at 1277; see also Sheldon W. Halpern, *The Art of Compromise and Compromising Art: Copyright, Technology, and the Arts*, 50 J. COPYRIGHT SOC’Y 273, 283 (2003) (noting that the fixation requirement is “seemingly mandated by the constitutional reference to ‘writings’”).

<sup>140</sup> See *Moghadam*, 175 F.3d at 1274.

Clause.”<sup>141</sup> The Eleventh Circuit recognized the tension between the *Trade-Mark Cases* and *Railway Labor Executives*.<sup>142</sup> Nevertheless, it concluded that the statute was a proper exercise of Congress’s Commerce Clause authority because “[e]xtending quasi-copyright protection to unfixed live musical performances is in no way inconsistent with the Copyright Clause, even if that Clause itself does not directly authorize such protection.”<sup>143</sup>

The court hedged on the issue of whether limits of the Copyright Clause could limit congressional authority under the Commerce Clause. First, it noted that “[w]e assume *arguendo*, without deciding, that the Commerce Clause could not be used to avoid a limitation in the Copyright Clause if the particular use of the Commerce Clause (e.g., the anti-bootlegging statute) were fundamentally inconsistent with the particular limitation in the Copyright Clause (e.g. the fixation requirement).”<sup>144</sup> The court thus believed that *Railway Labor Executives* did not apply in this context due to the lack of a fundamental conflict.<sup>145</sup> Second, the court expressly did not address whether the act could be viewed as inconsistent with the “limited times” provision of the Copyright Clause, and thus implicate the *Railway Labor Executives* case, because that challenge was not made by the parties.<sup>146</sup>

The Eleventh Circuit used the principle of a “fundamental conflict” to distinguish between the *Trade-Mark Cases* line of authority and the approach of *Railway Labor Executives*. The court failed to articulate any basis for determining whether a conflict is “fundamental” or not. Arguably, end-running the “fixation” requirement is a fundamental conflict. In essence, the Copyright Clause commands “the work must be fixed,” just as the Bankruptcy Clause commands “the law must be uniform.” The Eleventh Circuit failed to articulate a principled reason for distinguishing the two situations.

Although the case law is quite thin on the issue of whether the Patent and Copyright Clause limits Congress’ other enumerated powers, particularly the Commerce Clause, commentators have discussed this issue. Professor Jane Ginsburg recognized this problem in relation to the Supreme Court’s rejection of copyright protection for factual compilations in *Feist Publications v. Rural Telephone*

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<sup>141</sup> *Id.* at 1281.

<sup>142</sup> *See id.* at 1279-80.

<sup>143</sup> *Id.* at 1280.

<sup>144</sup> *Id.* at 1280 n.12.

<sup>145</sup> *See id.* at 1280.

<sup>146</sup> *See Moghadam*, 175 F.3d. at 1281.

*Service Co.*<sup>147</sup> The Court in *Feist* elevated the “originality” requirement of copyright to constitutional status. Even though this conclusion is suspect, Professor Ginsburg looked to sources of authority other than the Copyright Clause that would allow Congress to protect factual compilations such as databases. One such source would be the Commerce Clause, so long as the Patent and Copyright Clause’s limitations do not also limit the Commerce Clause. Professor Ginsburg realized that the limitations of the Patent and Copyright Clause might block such a use of the Commerce Clause. As such, she sharply criticizes the Supreme Court’s *Feist* decision for usurping Congress as the appropriate actor to assess the best manner in which to implement the policy of promoting progress,<sup>148</sup> and suggests that Congress should be able to define the metes and bounds of the Patent and Copyright Clause so as to afford protection for works of information.<sup>149</sup> Professor Ginsburg, however, does not articulate a test or methodology for assessing when the limits of the Patent and Copyright Clause should or would trump Congress’ exercise of power under another constitutional provision.

Subsequently, Professors Paul Heald and Suzanna Sherry did provide a methodology for approaching the potential horizontal conflict of the Patent and Copyright Clause and other powers of the federal government.<sup>150</sup> Specifically, Heald and Sherry identified “four principles of constitutional weight” that should govern a court’s assessment of the constitutionality of statutes that might conflict with the Patent and Copyright Clause.<sup>151</sup> The first principle is the “Suspect Grant Principle,” which is implicated when Congress grants exclusive rights resulting in monopoly-like costs on the public.<sup>152</sup> Second is the “Quid Pro Quo Principle,” which allows for a suspect grant only when there is a bargained for exchange between the government and the authors or inventors.<sup>153</sup> The third principle, the “Authorship Principle,” contends that the suspect grant must initially be made to the true author or inventor.<sup>154</sup> Fourth and finally is the “Public Domain Principle,” which counsels that a suspect grant may not significantly diminish access to the

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<sup>147</sup> 499 U.S. 340 (1991).

<sup>148</sup> See Ginsburg, *supra* note 35, at 378-81.

<sup>149</sup> See *id.* at 381-84.

<sup>150</sup> See Heald and Sherry, *supra* note 20.

<sup>151</sup> See *id.* at 1167.

<sup>152</sup> See *id.*

<sup>153</sup> See *id.*

<sup>154</sup> See *id.*

public domain.<sup>155</sup> Heald and Sherry contend that these principles should inform the court's analysis "regardless of the constitutional provision under which Congress purports to act," including the treaty power.<sup>156</sup>

Professor Justin Hughes has also recognized this horizontal conflict in assessing the ability of Congress to adopt database protection.<sup>157</sup> His characterization of the problem is assessing whether legislation is "in the gravitational field" of the limitations of the Patent and Copyright Clause or can be "pulled away from those cases into the orbit" of permissible use of the Commerce Clause.<sup>158</sup> In his view, into which orbit the legislation will fall depends on whether it affords protection *equivalent* to copyright (and thus must satisfy the strictures of the Copyright Clause) versus being *similar but sufficiently different* (so as to fall within the Congress's powers to regulate commerce).<sup>159</sup> From his perspective, the nature of the rights afforded – exclusive, copyright-like rights versus an unfair competition approach – will determine the legislation's constitutionality.<sup>160</sup>

The four principles articulated by Heald and Sherry may serve as useful tools to balance the various policy considerations underlying various intellectual property statutes, but they fail to provide much guidance to courts or to Congress. Hughes' approach, at least as applied to database protection, seems to be a simpler, more straightforward approach by focusing on the nature of the afforded rights.

Distilling these perspectives, it is possible to articulate a fairly bright-line rule that would enable courts to readily assess whether legislation must adhere to the limitations of the Patent and Copyright Clause: Congress must adhere to the requirements of the Patent and Copyright Clause if Congress intends to promote progress of knowledge and technology through the grant of exclusive rights to private entities. For example, it is undisputed that Congress can promote progress in technology through research grants.<sup>161</sup> Thus, the Patent and Copyright Clause does not provide the *exclusive*

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<sup>155</sup> See *id.*

<sup>156</sup> *Id.*

<sup>157</sup> Hughes, *Databases*, *supra* note 12.

<sup>158</sup> *Id.* at 186-87.

<sup>159</sup> See *id.* at 187.

<sup>160</sup> See *id.*

<sup>161</sup> It is undisputed now, although such was not the case when the Constitution was first adopted. See Edward C. Walterscheid, *Conforming the General Welfare Clause and the Intellectual Property Clause*, 13 HARV. J.L. & TECH. 87, 94 (1999) (noting that if the Patent and Copyright Clause were viewed as the *sole* means of promoting the progress of science and the useful arts, funding of education and R&D would be barred); *id.* at 97-103 (discussing

means through which Congress can promote the progress in technology. Because research grants do not provide private exclusive rights, the Clause is not implicated.

Similarly, the outcome in *Moghadam* can be more readily understood under this premise. *Moghadam* involved a criminal statute proscribing the recording of a live performance and the copying or distribution of that recording. It also seems beyond dispute – although perhaps not as far as research grants – that Congress can criminalize behavior. There is no grant of exclusive rights to a private party in this context. The government must enforce the law, not a private party. While criminalization of activity may effectively grant a private party exclusive rights, the fact remains that discretion to prosecute would lie with the government, not a private entity. Thus, prosecutorial discretion could avoid potential problems that might arise if the relevant statute did not otherwise comply with the Patent and Copyright Clause, such as by violating the limited times provision. In contrast to the criminal statute are the civil provisions. Likely, these would be unconstitutional for violating the “writings” requirement and the “limited Times” provision; resort to the Commerce Clause, under the principle articulated here, would be foreclosed.

The federal trademark laws would also be permissible under the Patent and Copyright Clause. While exclusive rights are provided, the rights are not provided to promote progress in knowledge or technology. Instead, the purpose for trademark rights is to avoid consumer confusion. Given this fundamentally different purpose, the Patent and Copyright Clause would not be implicated.<sup>162</sup>

In sum, there are undisputed limits within the Patent Clause. These limits also should be imposed even if Congress attempts to act under some other parallel power, such as the Commerce Clause. Although no express test has been articulated by the courts, other than a general form of policy balancing, courts and commentators seem to agree that using the limits as an absolute trump in certain contexts is appropriate. The principle posited in

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debates over whether Congress had authority to fund expeditions, research, and education).

<sup>162</sup> Of course, the anti-dilution protections afforded under the Lanham Act, as amended, might create a different problem. See 15 U.S.C. §§ 1125(c), 1127. Consumer confusion is not the harm involved in the dilution context. As such, Congress seems to be affording an exclusive right to a private entity for some other basis. If the reason would be to promote arguably knowledge or technology, then seemingly the anti-dilution laws would fall under the auspices of the Intellectual Property Clause and would be unconstitutional for, at a minimum, violating the limited times provision.

this Article provides a simpler approach: Congress must adhere to the strictures of the Patent and Copyright Clause if it uses private property rights to promote scientific and creative progress. This simpler approach would provide greater predictability not only to courts and litigants, but also to Congress as it attempts to legislate in the area of intellectual property law.

## II. THE TREATY POWER – BOUNDLESS AUTHORITY OR A LIMITED GRANT OF POWER?

The Patent Clause of the United States limits the power of Congress to enact legislation regarding the U.S. patent system. As identified above, some of these limitations present potential obstacles to further harmonization of U.S. patent laws with that of the rest of the world. The Patent Clause is not the only Constitutional provision implicated by international patent harmonization. Often these changes result from treaties agreed to between nations. As such, harmonization also implicates the Treaty Power.

The Constitution grants the power to make treaties to the executive branch, with the consent of a supermajority of the Senate required in order for the treaty to be implemented. Specifically, Article II, section 2 of the Constitution grants the President the “Power, by and with the Advice and Consent of the Senate, to make Treaties, provided two thirds of the Senators present concur.”<sup>163</sup> Other than requiring the consent of the Senate, the clause seems to place no subject matter restrictions on the President’s power.<sup>164</sup> The Constitution also significantly restricts the ability of states to enter into this arena. Specifically, the Constitution proscribes states from “enter[ing] into any Treaty, Alliance, or Confederation”<sup>165</sup> and from “enter[ing] into any Agreement or Compact . . . with a foreign Power” absent the “Consent of Congress.”<sup>166</sup> In any event, the Constitution makes clear that treaties, along with the Constitution and federal laws, are “the supreme Law of the Land.”<sup>167</sup>

The question thus presented is whether the Treaty Power in fact is limited substantively. If it is not, and the limitations of other clauses can be bypassed via the treaty power, then the limitations of

<sup>163</sup> U.S. CONST. art. II, § 2.

<sup>164</sup> See *Santovincenzo v. Egan*, 284 U.S. 30, 40 (1931); Audrey I. Benison, *International Criminal Tribunals: Is There a Substantive Limitation on the Treaty Power?*, 37 STAN. J. INT’L L. 75, 75 (2001) (“But while specific as to the procedural limitations on the treaty power, the Constitution nowhere identifies what the proper subject of a treaty might be.”).

<sup>165</sup> U.S. CONST. art. I, § 10, cl. 1.

<sup>166</sup> U.S. CONST. art. I, § 10, cl. 3.

<sup>167</sup> U.S. CONST. art. VI, cl. 2.

the Patent Clause would not be an obstacle to the harmonization of patent laws pursuant to a treaty. The intersection of the Patent Clause and the Treaty Power, however, has not been richly discussed previously. As such, this section explores whether the Treaty Power has substantive limits generally, a question which has been most thoroughly debated in the context of vertical, federalism restraints.

A. *Federal Treaty Power versus State Power – Are there Substantive Limitations to the Treaty Power?*

The debate over the scope of the Treaty Power is not a new one. Scholars have debated the breadth of this power for quite some time. However, in recent years the scope of the power has been brought to the forefront in light of the current Supreme Court's efforts to rein in the power of the federal government vis-à-vis the states. The Court's efforts to limit the scope of the Commerce Clause and to expand the scope of state immunity under the Eleventh Amendment have raised the issue of whether Congress can bypass such restrictions by acting pursuant to the Treaty Power.

Central to the debate of the scope of the Treaty Power is the Supreme Court's decision *Missouri v. Holland*.<sup>168</sup> In *Holland*, the Supreme Court upheld the constitutionality of the Migratory Bird Treaty Act. The United States and Great Britain signed this treaty in order to protect birds whose "annual migrations traversed many parts of the United States and Canada."<sup>169</sup> However, a previous act to protect migratory birds that was not enacted under the auspices of a treaty had been struck down as unconstitutional.<sup>170</sup> In *Holland*, the Supreme Court upheld the Act, noting that "[a]cts of Congress are the supreme law of the land only when made in pursuance of the Constitution, while treaties are declared to be so when made under the authority of the United States."<sup>171</sup> The Court concluded that the analysis is different in the Treaty Power context:

We do not mean to imply that there are no qualifications to the treaty-making power; but they must be ascertained in a different way. It is obvious that there may be matters of the sharpest exigency for the national well being that an act of Congress could not deal with but that a treaty followed by such an act could, and

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<sup>168</sup> 252 U.S. 416 (1920).

<sup>169</sup> *Id.* at 431.

<sup>170</sup> *See id.* at 432 (citing *United States v. Shauver*, 214 Fed. 154 (1914), and *United States v. McCullagh*, 221 Fed. 288 (1915)).

<sup>171</sup> *Id.* at 433.

it is not lightly to be assumed that, in matters requiring national action, 'a power which must belong to and somewhere reside in every civilized government' is not to be found.<sup>172</sup>

The Court upheld the treaty, noting that "[t]he treaty in question does not contravene any prohibitory words to be found in the Constitution. The only question is whether it is forbidden by some invisible radiation in general terms of the Tenth Amendment."<sup>173</sup> As nothing in the Constitution specifically proscribed such an act, and "a national interest of very nearly the first magnitude is involved,"<sup>174</sup> the Court concluded that it was a proper exercise of power by the federal government.

Thus, the Court made it clear that Congress may enact legislation via a treaty that it may not have had the authority to pass acting alone. The Court was careful not to state that the Treaty Power was limitless, but it failed to identify any limits on that power. Subsequent to *Holland*, a plurality of the Court noted, "no agreement with a foreign nation can confer power on the Congress, or on any other branch of Government, which is free from the restraints of the Constitution."<sup>175</sup> Noticeably absent, of course, is any effort to identify what constitutes a "restraint." Given *Holland*, federalism issues – or at least those that fall within the penumbra of the Tenth Amendment – as opposed to some express prohibitions<sup>176</sup> – seemingly do not fall within the category of a "restraint."

The aftermath of *Holland* has left many commentators questioning the limits, if any on the Treaty Power. If the Treaty Power is unlimited, then limitations in the Patent Clause would not act as a check on Congress' power to adopt, via a treaty, patent laws that conflict with the limitations of the clause. Congress could basically end run various restrictions on its legislative power if it acts pursuant to a treaty. This debate about the scope of the Treaty Power has been particularly heated with respect to federalism issues. A review of the federalism debate thus will inform whether the Treaty Power transcends the other limitations of congressional, such as those found in the Patent Clause.

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<sup>172</sup> *Id.*

<sup>173</sup> *Id.*

<sup>174</sup> *Id.* at 435.

<sup>175</sup> *Reid v. Covert*, 354 U.S. 1, 16 (1957) (plurality opinion).

<sup>176</sup> The Constitution does provide some guarantees to the states that could not be over-run by a treaty. For example, it guarantees a republican government, see U.S. CONST. art. IV, § 4, which could not be negotiated through treaties, see David M. Golove, *Treaty-Making and the Nation: The Historical Foundations of the Nationalist Conception of the Treaty Power*, 98 MICH. L. REV. 1075, 1085 (2000). Nor could the federal government under the auspices of a treaty wipe away the guarantees of, for example the First, Thirteenth, Fourteenth, or Fifteenth Amendment. See Golove, *supra*, at 1083.

### B. *The Federalism Debate*

The question surrounding the Treaty Power and the United States' federal system of government is straightforward: can Congress via a treaty enter into spheres of authority generally reserved to the states? After *Holland*, few suggested that federalism principles could act as a check on the Treaty Power. This reality was not only because of the language of *Holland* but also because the Supreme Court had taken an expansive view of congressional Commerce Clause power. And seemingly, if the Treaty Power is unchecked by the implied restrictions of federalism, arguably it would be unchecked by other limitations on Congressional power, such as the Patent Clause.

This perspective changed dramatically in 1995 when, after sixty years of rubber-stamping Congressional enactments,<sup>177</sup> the Court struck down federal regulation under the Commerce Clause.<sup>178</sup> The Supreme Court has continued down this path, restricting congressional authority under the Commerce Clause in favor of state autonomy. The Court has significantly curtailed Congress' regulatory powers under both the Commerce Clause<sup>179</sup> and the Fourteenth Amendment vis-à-vis the states' Eleventh Amendment immunity to suit.<sup>180</sup> Consequently, the continued validity of numerous statutes have been called into question, particularly environmental legislation.<sup>181</sup> A number of commentators have thus tried to find bases for permitting legislation that supercedes states' rights. One potential avenue is the Treaty Power, as recognized in

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<sup>177</sup> See Thomas Healy, Note, *Is Missouri v. Holland Still Good Law? Federalism and the Treaty Power*, 98 COLUM. L. REV. 1726 (1998).

<sup>178</sup> See *United States v. Lopez*, 514 U.S. 549 (1995) (holding that the Gun-Free School Zones Act exceeded Congress's power under the Commerce Clause).

<sup>179</sup> See, e.g., *Printz v. United States*, 521 U.S. 898, 935 (1997) (holding that Congress cannot conscript, via the Commerce Clause, state officials to implement a federal regulatory regime); *Seminole Tribe of Florida v. Florida*, 517 U.S. 44, 47 (1996) (holding that Congress cannot abrogate state sovereign immunity under the Eleventh Amendment pursuant to the Indian Commerce Clause); *New York v. United States*, 505 U.S. 144, 175-76 (1992) (holding that Congress cannot force states to regulate in a particular way pursuant to the Commerce Clause).

<sup>180</sup> See *Florida Prepaid Postsecondary Educ. Expense Bd. v. College Savings Bank*, 527 U.S. 627, 647-48 (1999) (holding that Congress did not satisfy the conditions of the Fourteenth Amendment in order to abrogate the States' Eleventh Amendment immunity to suit for patent infringement); *College Savings Bank v. Florida Prepaid Postsecondary Educ. Expense Bd.*, 527 U.S. 666, 672 (1999) (holding that Congress did not satisfy the conditions of the Fourteenth Amendment in order to abrogate the States' Eleventh Amendment immunity to sue for trademark infringement).

<sup>181</sup> See, e.g., Omar N. White, Comment, *The Endangered Species Act's Precarious Perch: A Constitutional Analysis Under the Commerce Clause and the Treaty Power*, 27 ECOLOGY L.Q. 215, 224-34 (2000); Gavin R. Villareal, Note, *One Leg to Stand On: The Treaty Power and Congressional Authority for the Endangered Species Act after United States v. Lopez*, 76 TEX. L. REV. 1125 (1998).

*Holland*.<sup>182</sup>

Commentators have argued that the Treaty Power is free of federalist constraints. Relying both on a historical analysis and on policy considerations, these commentators contend that the President and Senate (via its supermajority vote) can supersede the federalism restraints placed on Congress. The structure of the Treaty Power, according to some commentators, also suggests that it is not limited by federalism.<sup>183</sup> Specifically, the Tenth Amendment reserves to the States only those powers which are not delegated to Congress.<sup>184</sup> As the argument goes, because the Treaty Power is expressly delegated to the United States – and in fact is prohibited to the States to a great extent – the Tenth Amendment and federalism issues are immaterial.<sup>185</sup>

Treaties are not domestic legislation and result through a vastly different process, the negotiation of an agreement between one or more other sovereigns.<sup>186</sup> They involve concessions by both sides to the agreement, the consequence of which may be domestic regulation. The regulation is adopted with the quid pro quo that other parties will also make some sort of change in their regulations.<sup>187</sup> The purpose of a treaty consequently is greater than mere domestic regulation, and under this view, the Treaty Power should not be viewed as merely an alternative form of exercising legislative powers.<sup>188</sup>

Moreover, some view the requirement of Senate consent to a treaty as protecting states' interests via the process of treaty ratification, thereby satisfying any concerns with federalism.<sup>189</sup> The Sen-

<sup>182</sup> See Edward T. Swaine, *Does Federalism Constrain the Treaty Power?*, 103 COLUM. L.R. 403, 417 (2003) (giving examples of where courts and commentators have argued for using the Treaty Power to end run federalism restraints); Villareal, *supra* note 181, at 1153-62; Audrey I. Benison, *International Criminal Tribunals: Is There a Substantive Limitation on the Treaty Power?*, 37 STAN. J. INT'L L. 75 (2001) (arguing that participation in the International Criminal Court could be justified by the treaty power).

<sup>183</sup> See generally Golove, *supra* note 176. Professor Golove also provides a rigorous historical review of the Treaty Power in reaching his conclusion that the Treaty Power is free of states' rights limitations. See *id.* at 1100-1257.

<sup>184</sup> U.S. CONST. amend. X ("The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.").

<sup>185</sup> See, e.g., Golove, *supra* note 176, at 1082 ("It is clear, then, that the whole treaty power is 'delegated' to the federal government and specifically prohibited to the states."); Healy, *supra* note 177, at 1731 ("Therefore, whatever is within the treaty power's scope is not reserved to the states, and the Tenth Amendment is not material.").

<sup>186</sup> See Golove, *supra* note 176, at 1094.

<sup>187</sup> See Golove, *supra* note 176, at 1093 ("The purpose of a treaty is not to adopt domestic regulations at all; that is the price of a treaty. The national government enters into treaties in order to protect the rights of United States citizens abroad and to further our foreign policy interests more generally.").

<sup>188</sup> See Golove, *supra* note 176, at 1087-88.

<sup>189</sup> See Bradley I, *supra* note 17, at 412 ("[The Founders] noted that each state was to

ate is viewed historically as the “States” chamber of Congress due to the equal representation afforded each state. This was particularly true prior to the adoption of the Seventeenth Amendment, which provided for the direct election of Senators by the people of the state, as opposed to the former election by State legislatures.<sup>190</sup> In contrast, the House of Representatives was viewed as the chamber of the people due to the proportional representation based on the population of each state. By requiring the supermajority vote of the Senate to ratify a treaty, the Constitution, through process, protected states’ rights.

Other commentators disagree and believe that the Treaty Power is not immune from federalism constraints. Professor Curtis Bradley vigorously contends that federalism constraints on the treaty power are present.<sup>191</sup> Professor Bradley argues that, in light of the Supreme Court’s federalism jurisprudence,<sup>192</sup> the proliferation of treaty making – both in number and in the increasing trend to regulate traditionally domestic concerns<sup>193</sup> – and the increasing use of executive agreements that do not require the supermajority of the Senate,<sup>194</sup> the time has come to reconsider the appropriateness of the *Holland* approach. Given that “the distinction between domestic and foreign affairs has been eroding in recent years,” with international treaties and obligations implicating domestic rights, there is a crucial need to reevaluate the proper role of the Treaty Power in our federal system.<sup>195</sup> Bradley identifies two components of the “nationalist” view of the Treaty Power: (1) the Tenth Amendment does not limit the Treaty Power; and (2) there is no substantive limitation on the Treaty Power.<sup>196</sup> Bradley believes that, notwithstanding the independent development of these

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have equal representation in the Senate and that senators would be elected by state legislatures. Based on this, they reasoned that state interests would be safeguarded in the treaty process by assigning the treaty power to the Senate.” (citations omitted)). *But see* Swaine, *supra* note 182, at 413 (arguing the use of congressional-executive agreements “further impairs the increasingly marginal role of the Senate as a guardian of state interests”).

<sup>190</sup> See U.S. CONST. art. I, § 3 (“The Senate of the United States shall be composed of two Senators from each State, chosen by the Legislature thereof . . .”), *amended by* amend. XVII (“The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof . . .”).

<sup>191</sup> See generally Bradley I, *supra* note 17; see also Curtis A. Bradley, *The Treaty Power and American Federalism, Part II*, 99 MICH. L. REV. 98 (2000) (responding to criticisms of Bradley I by Golove, *supra* note 183).

<sup>192</sup> See Bradley I, *supra* note 17, at 400.

<sup>193</sup> See *id.* at 396-97.

<sup>194</sup> See *id.* at 398.

<sup>195</sup> Bradley I, *supra* note 17, at 391; see also Michael P. Van Alstine, *The Judicial Power and Treaty Delegation*, 90 CAL. L. REV. 1263, 1263-64 (2002) (“The result has been an expansion of treaty law into an ever broader field of governance.”).

<sup>196</sup> See Bradley I, *supra* note 17, at 394.

two components, together they constitute a violation of the principle of a government of limited, enumerated powers.<sup>197</sup> Otherwise, the Treaty Power would provide a way for the federal government to have “essentially plenary power vis-à-vis the states,” which is “exactly what American federalism denies.”<sup>198</sup> In Professor Bradley’s view, therefore, federalism constraints must also cabin the Treaty Power.<sup>199</sup>

Thus, the academic debate continues as to whether the implied federalism limits impact the Treaty Power. Given the Supreme Court’s federalism renaissance, it would not be surprising if the Court rejected the seemingly boundless authority articulated in *Holland*. But, at present that question remains unanswered.<sup>200</sup>

### III. TREATY POWER AND PATENT CLAUSE INTERSECTION – IS THE TREATY POWER LIMITED BY THE LIMITATIONS OF THE PATENT CLAUSE?

The intersection of the Patent Clause and the Treaty Power is slightly different than the intersection of the Commerce Clause/federalism implied limits and the Treaty Power. The latter reflects vertical conflicts between the power of the federal government and the states. The former is a horizontal problem – what impact do limitations in one power of the United States have on another?

Scholars have commenced a rigorous debate over the Commerce Clause versus the Treaty Power in the vertical context – federal versus state interests. Scholars, and to a limited extent the courts, have also addressed the conflict of the Patent and Copyright Clause versus the Commerce Clause in the horizontal conflict context. Little has been written, however, and little debate has taken place, on the potential horizontal conflict between the Treaty Power and the Patent and Copyright Clause.<sup>201</sup> The analysis

<sup>197</sup> See *id.*

<sup>198</sup> *Id.*

<sup>199</sup> See *id.* at 460.

<sup>200</sup> In fact, “no treaty has ever been struck down on federalism grounds.” Swaine, *supra* note 182, at 413.

<sup>201</sup> Some scholars have briefly addressed, or at least mentioned, the issue. See, e.g., Bradley I, *supra* note 17, at 407 (“An additional example in commercial law is the protection of intellectual property, a subject increasingly regulated by treaty. Intellectual property protection is governed extensively in this country by federal law, but there are recognized limits to the scope of permissible federal protection. This has prompted one commentator recently to wonder whether, in light of *Holland*, the federal government could confer stronger intellectual property rights by treaty than it would otherwise have the power to do pursuant to its domestic lawmaking powers.” (citations omitted)); Pamela Samuelson, *The U.S. Digital Agenda at WIPO*, 37 VA. J. INT’L L. 369, 422 n.302 (1997) (suggesting that Congress could pass database protection pursuant to a treaty even though protection of factual compilations is not permitted under the Copyright Clause); Heald and Sherry, *supra* note

in the previous two sections, however, informs this discussion.

Professors Heald and Sherry briefly addressed the intersection of the Patent and Copyright Clause and the Treaty Power.<sup>202</sup> They reconcile *Reid* and *Holland* on two bases. First, *Holland* only addresses a situation where congressional authority has “run out,” while *Reid* involves a situation where there is an express limitation on congressional authority.<sup>203</sup> Second, Heald and Sherry contend that *Holland* only addresses implied federalism constraints, which do not limit the Treaty Power, while *Reid* addresses other limitations on Congress, which do limit the Treaty Power.<sup>204</sup> These distinctions support the view that the Patent and Copyright Clause does limit the Treaty Power because (1) under Heald and Sherry’s thesis, the Patent and Copyright Clause involves limits on congressional authority and (2) intellectual property principles are not derived from federalism.<sup>205</sup>

This position bears further exploration, however. While it is beyond cavil that intellectual property principles are not rooted in federalism, federalism concerns – even if only implied – do limit Congressional authority on a number of fronts. Heald and Sherry themselves admit that many of the limits they are discussing are merely *implied* – there is no express prohibition on Congress in the language of the Patent and Copyright Clause. If the Treaty Power is beyond the implied federalism restraints, then there is no principled basis for concluding that it is *not* beyond implied limits from the Patent and Copyright Clause.

The Heald and Sherry analysis approaches the Treaty Power in a way akin to those that support federalism limits on the Treaty Power by treating the Power as merely an alternative form of legislation.<sup>206</sup> The Treaty Power, however, is technically an Article II

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20, at 1181-83. An amicus in *Eldred v. Ashcroft* argued that the CTEA could be viewed as a proper exercise of the Foreign Commerce Clause. See Brief of Amicus Curiae the International Coalition for Copyright Protection in Support of Respondent, *Eldred v. Ashcroft*, 537 U.S. 186 (No. 01-618). Given that the Foreign Commerce Clause is found in the same constitutional grant as that of the Commerce Clause (and, for that matter, the Indian Commerce Clause), much of the precedent involving the Commerce Clause would be applicable. The Treaty Power provides a separate grant of power to a separate branch of government and, thus, may pose different questions. This issue is present in *Golan v. Ashcroft*, No. 01-B-1854 (D. Colo. filed Sept. 19, 2001), presently pending in the U.S. District Court for the District of Colorado. See Samuelson, *supra* note 22, at 562-63.

<sup>202</sup> See Heald and Sherry, *supra* note 20, at 1182-83.

<sup>203</sup> See *id.* at 1182.

<sup>204</sup> See *id.*

<sup>205</sup> See *id.* at 1182-83. (“Consequently, even an international treaty would not provide a justification for Congress to exceed constitutional limits on its power—including the implied limits we are considering.”).

<sup>206</sup> Richard Graves identifies three potential ways in which the government could use the Treaty Power as simply an alternative form of legislative authority: legislate pursuant to

exercise of power by the executive branch, with input from the Senate via the supermajority vote. The Treaty Power, as located in Article II, is therefore structurally more akin to an exercise of executive power, as opposed to an issue of purely legislative authority. Separation of powers concepts may thus suggest that the Treaty Power is in a different position than that of potential conflicts between two Article I powers, such as the Commerce Clause and the Patent and Copyright Clause. The treaty-making process involves the creation of a contract with a foreign sovereign that extracts benefits and costs to both parties. It is different than pure domestic legislation, where the impacts implicate solely the United States. The Treaty Power is thus more than a simple alternative to other legislative powers in that it could act to assist U.S. interests abroad. Domestic concerns surrounding patents generally solely involve considerations of the quid pro quo of disclosure of the invention in exchange for exclusive rights. In the international arena, the policy considerations are much broader. The concern is more about *trade* and the potential use of intellectual property as a barrier to free trade.<sup>207</sup> This added dimension to the Power suggests that the analysis is not as simple as Heald and Sherry suggest.

If the limitations of the Patent and Copyright Clause do transcend the clause and apply to the Treaty Power as well, then there is potential for difficulty on the international level. As Professor Swaine has noted in the context of federalism concerns, “there is also the pregnant possibility that [federal] nations will nonetheless yield, ultimately, to the strictures of federalism. Suggestions that a federal structure serves as an excuse for noncompliance are consid-

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existing intellectual property treaties; enter into treaties for purposes of circumventing the limitations of the Patent and Copyright Clause, or enter into treaties to recognize foreign judgments based on claims that would not be valid in the U.S. See Graves, *supra* note 1, at 210-11. The latter two scenarios still require accession of the United States to a treaty, which is significantly different than simply legislating. Graves’ first scenario is an interesting one. It would permit Congress to act immediately, without seeking a new treaty. Of course, to in fact occur, the United States would currently have to be in violation of a given treaty provision. Suppose, however, that the existing treaty does not *require* a certain provision be adopted, but instead allows the country to adopt the provision if it so chooses. Compare TRIPS art. 27, ¶ 2 (permitting, but not requiring countries, to exclude certain inventions from patentability) with TRIPS art. 27, ¶ 1 (requiring that, to be patentable, inventions be new, involve an inventive step, and are capable of industrial application). Although my thesis would eschew this distinction, as, in my view, it is the grant of nationally-based property rights that triggers the Patent Clause, see *infra* notes 210-217 and accompanying text, courts could treat the authority under a given treaty differently depending on whether the treaty mandates a provision or merely permits it. In other words, mandatory provisions that conflict with the Patent Clause would be constitutionally allowable, but permissive ones would not.

<sup>207</sup> See, e.g., TRIPS art. 3, ¶ 2. (“Members may avail themselves of the exceptions permitted under paragraph 1 . . . where such practices are not applied in a manner which would constitute a disguised restriction on trade.”).

ered heretical, but the fact remains that it is manifestly harder for federal governments to ensure compliance, and the abstract availability of remedies for noncompliance hardly makes up the difference."<sup>208</sup> Although not a federalism problem, a similar scenario could play out if the Patent Clause limits the Treaty Power. The unconstitutionality of an act, though, is not an excuse for non-compliance with a treaty.<sup>209</sup> If the United States knowingly signed a treaty it knew it could not enforce due to its Constitution, U.S. credibility would be horribly undermined.

There is an approach that could reconcile these concerns by considering where the root of intellectual property rights lies. Under the current regime, particularly TRIPS, intellectual property rights still remain rights of a national character.<sup>210</sup> The Heald and Sherry analysis could therefore be viewed as appropriate because the patent rights in the United States remain grants of exclusive rights *by the United States*. Thus, as a grant via the United States, the Constitution would govern the rights provided, triggering application of the limits in Patent Clause.<sup>211</sup>

This approach would be highly relevant to the pending *Golan v. Ashcroft* case.<sup>212</sup> At issue in the case is the constitutionality of section 514 of the Uruguay Round Agreements Act (URAA),<sup>213</sup> which restored copyright protection to foreign works that had fallen into the public domain in the United States because they failed to comply with then-established U.S. copyright statutory requirements.<sup>214</sup> The plaintiff contends that the URAA is unconstitutional because, according to Supreme Court precedent, Congress cannot use the Patent and Copyright Clause to remove items from the public domain.<sup>215</sup> If the Treaty Power can trump the Patent and Copyright Clause, then the plaintiff's challenge will fail because any limits in the Copyright Clause will be irrelevant.<sup>216</sup> Under the approach ar-

<sup>208</sup> Swaine, *supra* note 182, at 452.

<sup>209</sup> See *id.* at 456 ("What if constitutional law impedes the use of the most efficacious kinds of implementation? The textbook answer, again, is that treaty obligations are not limited by national constitutions. . . . [Signatories] are obliged to amend their constitutions or risk international default.").

<sup>210</sup> See TRIPS, art. 1, ¶ 1 ("Members shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice.").

<sup>211</sup> This approach is similar to that articulated by Professor Swaine, that self-executing treaties are not limited by federalism constraints, but any implementing legislation would be. See Swaine, *supra* note 182, at 422-23.

<sup>212</sup> No. 01-B-1854 (D. Colo. filed Sept. 19, 2001).

<sup>213</sup> See 17 U.S.C. §§ 104A, 109(a) (2003).

<sup>214</sup> See Ochoa, *supra* note 100, at 231; Samuelson, *supra* note 22, at 562-63.

<sup>215</sup> Complaint ¶ 120-27, *Golan v. Ashcroft*, No. 01-B-1854 (D. Colo. filed Sept. 19, 2001).

<sup>216</sup> See Samuelson, *supra* note 22, at 563-64.

ticated in this Article, however, the plaintiff would win because none of the treaties involved created a supranational copyright. The exclusive rights afforded are national rights. The works affected by the treaty have entered the public domain in the United States, creating a factual scenario distinct from that of *Eldred*, where no works had entered the public domain. Because the rights afforded under the treaty are national in nature and because Congress cannot remove items from the public domain under the Copyright Clause, the statute is unconstitutional. In contrast, if the treaty had created a supranational copyright, then Congress would not be constrained under the Copyright Clause because it would be operating under the auspices of its Treaty Power and the relevant treaty, giving Congress the power to remove these works from the public domain.

A trickier scenario presents itself with the idea of reciprocity of patent grants. Suppose, pursuant to a treaty, that obtaining a patent in Canada resulted in an automatic grant of a U.S. patent. The rights would remain national in character, but the U.S. patent office would not grant the patent. Instead, the grant would occur by operation of law implemented according to a treaty. This hypothetical has a touch of an “international” patent to it – the grant of the patent occurs by operation of the treaty and not solely by domestic U.S. law. As such, this scenario is somewhat similar to *Holland*. The rights granted under this hypothetical, however, are still national. There is no transnational patent granted. Although this scenario is a closer call, such a grant would still be limited by the Patent Clause because the rights afforded are national. The United States should not be able to exceed the scope of its powers under the Patent Clause if the right granted is strictly a U.S. grant.

The ultimate form of harmonization, however, would involve the creation of *supranational* rights. In other words, the creation of an international patent that transcends national boundaries would seemingly be the quintessential form of harmonization. In this context, the origin of the exclusive rights would not lie with the United States; instead, the source of authority for the grant would be from an international body or agreement. As such, the sole root of authority would seemingly be the Treaty Power, and the limitations of the Patent and Copyright Clause would not apply. This situation would be much akin to that of *Missouri v. Holland*, where Congress – as the sole source of authority – did not possess the ability to regulate the migratory birds. But after the adoption of the treaty, the source of authority was no longer Congress but instead an international agreement. Because the regulatory au-

thority was not rooted in the United States government itself, the implied limits of the Commerce Clause did not apply.

Any concerns that this approach could be used to overrun other limitations in the Constitution, such as the Bill of Rights, are misguided. The Bill of Rights and other guarantees listed in the Constitution are fundamentally different than the implied limits of the Patent and Copyright Clause. The Clause represents a discretionary grant of power to Congress. If it wanted, Congress could simply eliminate the copyright and patent systems.<sup>217</sup> The limitations of the clause are more of a policy choice than fundamental rights, representing the Founders' opposition to indefinite monopolies. In contrast, the guarantees of the Bill of Rights and other amendments, such as the Fourteenth Amendment, are fundamental rights that *must* be guaranteed to the people of the United States. To abrogate these rights via a treaty would violate the basic framework of our republic; thus, a treaty would not be able to end run these guarantees.

The likelihood of the international community creating a supranational patent right to which the United States joins is presently unlikely. Such may not be the case with copyrights, however, where the genesis of the rights is the mere creation of the work, in contrast to the extensive review system required under patent systems. As such, any movement towards such international guarantees will likely occur in the copyright context long before patents because the administration of such a system would be less costly to the sovereigns involved, i.e., an international administrative review of the copyrights would not have to be created, but would be needed for a patent system. A more likely scenario for patents, however, may be the creation of a regional supranational patent, such as between Canada and the United States. In this context, the Patent Clause would not present any barriers to implementation.

## CONCLUSION

The Patent Clause undisputedly limits Congress ability to create a patent system. The exact nature and extent of these limits, however, are unclear. In the domain of purely domestic patent legislation, the courts should apply the limits and not permit Con-

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<sup>217</sup> Congress could not destroy the rights of existing patent and copyright exclusive rights without running afoul of the Takings Clause. Thus, if Congress were to eliminate existing copyright or patent exclusive rights, it would have to provide just compensation to the owners of those rights.

gress to end run the provisions by resorting to alternative sources of legislative authority, such as the Commerce Clause.

The Treaty Power, however, provides some different considerations. The Treaty Power implicates international relationships and grants of rights to foreigners within the United States and U.S. citizens abroad. This aspect of the Treaty Power thus requires pause before the limitations of the Patent Clause are automatically imported into the Treaty Power. A possible reconciliation of these tensions is that, so long as the intellectual property rights afforded via international treaties are rights granted by the U.S. government, with application strictly within the territory of the United States, then the limits of the Patent Clause should apply. These rights are properly viewed as the granting of exclusive rights from the United States government. If some form of supranational intellectual property rights are created – arguably the ultimate form of international harmonization – then the limitations of the Patent Clause should not apply. The source of authority for these rights would not lie with the United States government but instead with the international agreement.

Of course, the likelihood of an agreement providing supranational patent rights and to which the United States would agree is far into the future. In the copyright context, however, the internationalization process has been more substantial. The need for a review process for patents, as opposed to a registration system or some lesser administrative process, will make the creation of supranational patent rights much more unlikely. Regional supranational rights, such as a NAFTA patent, would likely appear first. Any such agreement, however, would not be limited by the Patent Clause and could pave the way for true international harmonization.

