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INSIGHTS

# Opening Shots in Gunn v. Minton: The Petitioner's Brief and Several Amici Curiae Briefs in Support

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Earlier this year we reported on the granting of certiorari for the case of *Gunn v. Minton*[1] from the Supreme Court of Texas.[2] The case involves a claim of attorney malpractice in an underlying patent litigation matter. The heart of the matter is whether the case can be heard in a state court or whether the malpractice case "arises under" federal question jurisdiction[3] because of federal exclusive jurisdiction over patent matters, and therefore must be heard in federal court.[4] ryehThe underlying patent infringement suit was complete before the malpractice suit was filed.[5] The case is scheduled for oral argument before the Court on January 16, 2013.[6]

Although Respondent Minton's brief is not yet available electronically, Petitioner Gunn presents several arguments to the Supreme Court to advance his position that legal malpractice claims do not come within "arising under" jurisdiction because the state's interests in regulating attorney practice and interpreting state law outweighs the "overstated" federal interest in a hypothetical patent issue, especially for a patent which has already been invalidated.[7] Gunn attests that *Grable*[8] presents the modern understanding of when an embedded federal issue is necessary, actually disputed and substantial enough, and that jurisdiction would not upset the balance of state and federal interests, such that a state law claim justifies federal jurisdiction.[9] Gunn then attacks the Federal Circuit's interpretation of *Grable* as given in *Air Measurement*[10] and *Immunocept*,[11] which the Supreme Court of Texas followed, as merely holding that a "necessary" patent issue is also automatically "substantial."[12] Gunn reminds the Court that the Nebraska Supreme Court decisions in the *New Tek* cases[13] clearly demonstrate that even a state supreme court decision does not threaten either the jurisdiction of federal courts or the interpretation of federal law when it comes to patent matters.[14]

Several *Amicus* briefs have also been filed in support of the Petitioner's position:

The American Intellectual Property Law Association (AIPLA), a national bar association representing intellectual property practitioners, advocates in their *Amicus* brief for the Court to reiterate the jurisdictional test of *Grable* and to effectively overturn all of the Federal Circuit's precedent otherwise.[15] AIPLA presents an analysis of both pre- and post-*Christianson*[16] cases and concludes that the Federal Circuit since *Christianson* has conflated the "necessary" and the "substantial" elements of the jurisdiction test, even after the Court provided both *Grable* and *Empire Healthchoice*[17] as demonstrations of the jurisdictional test.[18] AIPLA draws the Court's attention to Justice Kathleen O'Malley's dissent in *Byrne*[19] as further evidence that the Court should be concerned regarding the pervasiveness of the Federal Circuit's precedence and should overturn it.[20]

Professor Ryan of Baylor University, in conjunction with several other noted legal scholars,[21] advocate for the Court to take the opportunity to clarify federal procedural law by completely eliminating the second branch of "arising under" jurisdiction.[22] The professors state that the bright-line test that Justice Holmes proffered in *American Well Works*[23] is suitable in almost every circumstance for determining in which court system - state or federal - a matter should be heard.[24] The professors argue that the *Grable* test is not a clear test but rather a vague and amorphous proposition, which is not suitable as a jurisdiction test. The *Grable* test generates "litigation about where to litigate."[25] The professors also suggest that even in the rare circumstances where a state case has a suitable federal issue for hearing in a federal court, the matter should be heard in a state court and then, like the parties here, they can appeal to the Supreme Court and enter the federal realm there for final disposition.[26]

Ronald Mallen, principle author of a treatise on legal malpractice, addresses two issues in his brief to the Court: (1) does a patent law issue in a legal malpractice matter constitute a federal issue that is "actually disputed and substantial," and (2) what is the real effect of state court decisions regarding legal malpractice for a patent law matter on federal patent law?[27] On the first issue, the author argues that the underlying patent issue is merely hypothetical in nature.[28] Given that the patent issue is not "actually disputed and substantial," the malpractice matter incorporating it should not be handled any differently than how a state court handles other malpractice matters originating from other types of law, including from specialized courts, administrative panels, foreign and non-civil courts.[29] On the second issue, the author argues that state courts routinely handle a variety of law in interpreting malpractice matters – an area where they are considered expert jurists[30] – but that these opinions are rarely reported, minimizing the potential influence of any state-based malpractice decision concerning patent law practice on federal patent law.[31]

These briefs and the forthcoming Respondent's brief are available for free at the American Bar Association's "Preview of the United States Supreme Court Cases" website.[32] When available electronically, we intend to report on Respondent's brief and any *Amicus* briefs in support of Respondent's position.

If your company has questions about, or cases involving, "arising under" jurisdiction, please contact any of the Bracewell & Giuliani attorneys listed for more information regarding this topic.

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[1]Minton v. Gunn, 355 S.W.3d 634 (Tex. 2011), *cert. granted* (U.S. Oct. 5, 2012) (No. 11-1118).

[2]Mike Sellers et al., *Gunning for the Supreme Court: A "Substantial" Case "Arising" from Texas That Means More Than You Think*! (Oct. 9, 2012), *available at* .

[3]28 U.S.C. § 1331 ("The district courts shall have original jurisdiction of all civil actions arising under the Constitution, laws, or treaties of the United States.").

[4]28 U.S.C § 1338(a) ("The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents . . . . No State court shall have jurisdiction over any claim for relief arising under any Act of Congress relating to patents . . . .").

[5]*See* Minton v. NASD, Inc., 336 F.3d 1373 (Fed. Cir. 2003); Minton v. Gunn, No. 048-207288-04 (48th Dist. Ct., Tarrant Co., Tex. Sep. 19, 2006) (Order).

[6]*See* Gunn v. Minton (U.S. Oct. 5, 2012) (No. 11-1118) (docket), *available at* ***http://www.supremecourt.gov/Search.aspx?FileName=/docketfiles/11-1118.htm*** (last viewed Dec. 27, 2012).

[7]Petitioner's Brief on the Merits at 32-33, 36, 38-45, 47-48, Gunn v. Minton (U.S., filed Nov. 19, 2012) (No. 11-1118) [hereinafter *Petitioner's Brief*]; *id*. at 36 n. 6 (listing tens of cases from past 12 years for attorney malpractice in Texas).

[8]Grable & Sons Metal Products, Inc. v. Darue Eng'g & Mfg., 545 U.S. 308 (2005).

[9]*Petitioner's Brief* at 10, 15-17, 23-32.

[10]Air Measurement Tech., Inc. v. Akin Gump Strauss Hauer & Feld, L.L.P., 504 F.3d 1262 (Fed. Cir. 2007).

[11]Immunocept, L.L.C. v. Fulbright & Jaworski, L.L.P., 504 F.3d 1281 (Fed. Cir. 2007).

[12]*Petitioner's Brief* at 10, 17, 32-37.

[13]New Tek Manuf. v. Beehner, 270 N.W.2d 336 (Neb. 2005); New Tek Manuf. v. Beehner, 751 N.W.2d 135 (Neb. 2008).

[14]*Petitioner's Brief* at 51-54.

[15]Brief of *Amici Curiae* American Intellectual Property Law Association in Support of Petitioners at 2-3, 27-28, Gunn v. Minton (U.S., filed Nov. 26, 2012) (No. 11-1118) [hereinafter *AIPLA Brief*].

[16]Christianson v. Colt Industries, 486 U.S. 800 (1988).

[17]Empire Healthchoice Assurance v. McVeigh, 547 U.S. 677 (2006).

[18]*AIPLA Brief* at 2, 4-14.

[19]Byrne v. Wood, Herron & Evans, LLP, 676 F.3d 1024 (*per curiam*) (Fed. Cir. 2012) (denial of *en banc* rehearing) (O'Malley, J., dissenting)

[20]*AIPLA Brief* at 14-16, 20-21.

[21]The several professors include, among others, Paul Janicke of University of Houston, Luke Meier of Baylor and Dustin Benham of Texas Tech. *Amici Curiae* Brief of Law Professors in Support of Petitioners at 1-2, Gunn v. Minton (U.S., filed Nov. 26, 2012) (No. 11-1118) [hereinafter *Law Professors Brief*].

[22]*Law Professors Brief* at 2, 3-4, 21-22, 25-26. *Grable*, 545 U.S. at 314 ('Instead, the question is, does a state-law claim necessarily raise a stated federal issue, actually disputed and substantial, which a federal forum may entertain without disturbing any congressionally approved balance of federal and state judicial responsibilities.').

[23]Am. Well Works Co. v. Layne & Bowler Co., 241 U.S. 257 (1916).

[24]*Law Professors Brief* at 8 (quoting *Am. Well Works*, 241 U.S. at 260 ("A suit arises under the law that creates the cause of action.")); *id*. at 10 (most federal question cases arise under the first prong).

[25]*Law Professors Brief* at 14-15.

[26]*Law Professors Brief* at 21-22.

[27]Brief of Ronald E. Mallen, as *Amicus Curiae* in Support of Petitioners at 2, 11, Gunn v. Minton, (U.S., filed Nov. 26, 2012) (No. 11-1118) [hereinafter *Mallen Brief*].

[28]*Mallen Brief* at 12.

[29]*Mallen Brief* at 11-16 ("The issue is 'hypothetical' because a party's interest in resolving the issue is in establishing whether there was an error by the lawyer defendant or whether the former client would have had a better economic result." *Id.* at 12).

[30]*Mallen Brief* at 12-16.

[31]*Mallen Brief* at 17-18.

[32]*See* American Bar Association's Preview of the United States Supreme Court Cases, Jerry W. Gunn et al., v. Vernon F. Minton, *available at* ***http://www.americanbar.org/publications/preview_home/11-1118.html*** (last viewed Dec. 27, 2012).