

COMMENTS

IMMUNITY INCONSISTENCY AT THE PATENT AND TRADEMARK OFFICE: A CASE STUDY FOR SOVEREIGN IMMUNITY IN ADMINISTRATIVE ADJUDICATIONS

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INTRODUCTION

Sovereign entities, such as states, foreign countries, and Native American tribes, are able to assert, as a defense in civil suits, sovereign immunity, stemming from a traditional understanding that sovereign entities should not be sued by citizens and other private entities, foreign or domestic.¹ However, the law places limitations on when sovereign immunity may be asserted,² when it can be abrogated,³ and when it has been waived.⁴ In United States sovereign immunity doctrine, various types of entities are treated differently, stemming in part from their foundations in different forms of the law; state sovereign immunity stems from the Constitution,⁵ while tribal sovereign

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¹ See John J. Gibbons, *The Eleventh Amendment and State Sovereign Immunity: A Reinterpretation*, 83 COLUM. L. REV. 1889, 1896–99 (1983) (explaining the history of sovereign immunity in the United States, which stemmed from British conceptions of sovereign immunity of the monarch).

² See, e.g., *Hans v. Louisiana*, 134 U.S. 1, 10 (1890) (“That a state cannot be sued by a citizen of another State, or of a foreign state, on the mere ground that the case is one arising under the Constitution or laws of the United States, is clearly established by the decisions of this court . . .”).

³ See, e.g., *Fla. Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*, 527 U.S. 627, 635–36 (1999) (holding that Congress could only abrogate state sovereign immunity under the Fourteenth Amendment).

⁴ See, e.g., *Gunter v. Atl. Coast Line R.R. Co.*, 200 U.S. 273, 284 (1906) (“[W]here a state voluntarily becomes a party to a cause, and submits its rights for judicial determination, it will be bound thereby, and cannot escape the result of its own voluntary act by invoking the prohibitions of the Eleventh Amendment.”).

⁵ See U.S. CONST. amend XI (“The Judicial Power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State.”); *Hans*, 134 U.S. at 10–11, 15–16 (holding that the Eleventh Amendment extended sovereign immunity to include suits brought by citizens of a state against that state).

immunity has its foundations in international law and the early relationship of British colonists with Indian tribes.⁶

As the United States has grown and developed, so have sovereign immunity doctrines. The clearest example of this co-evolution is administrative adjudication. Though the Constitution, the Founders, and early Supreme Court Justices could not have foreseen the growth of the administrative state and the adjudications that occur in administrative agencies,⁷ the federal courts and agencies have had to grapple with sovereign immunity, as both states and tribes have sought to assert their immunity in agency adjudication.⁸ While the Supreme Court has provided a rule for when state sovereign immunity should apply in administrative adjudications,⁹ it has not yet done so for tribal sovereign immunity, leading to inconsistencies across courts and agencies as to whether tribal immunity should apply.

This inconsistency is particularly visible in the Patent and Trademark Office (the “PTO”) and its decision-making body, the Patent Trial and Appeal Board (the “PTAB” or the “Board”). Over the course of a year, the PTAB decided both state and tribal sovereign immunity cases, using conflicting reasoning between the cases.¹⁰ This Comment will examine the doctrines of tribal and sovereign immunity and the way that they have been applied at the PTO in order to determine whether tribal sovereign immunity should be applied, as state sovereign immunity is, in administrative adjudications.

Part I will compare the doctrines of state and tribal sovereign immunity in the federal courts to understand their foundations and basic principles. It will also explore immunity in administrative adjudications, where the Supreme Court has provided guidance only for state sovereign immunity.

⁶ See Catherine T. Struve, *Tribal Immunity and Tribal Courts*, 36 ARIZ. ST. L.J. 137, 139–40 (2004) (stating that the United States continued a policy of negotiating treaties with Indian tribes, treating the tribes as sovereign entities).

⁷ See *Fed. Mar. Comm’n v. S.C. State Ports Auth.*, 535 U.S. 743, 755 (2002) (“The Framers, who envisioned a limited Federal Government, could not have anticipated the vast growth of the administrative state.”).

⁸ See, e.g., *id.* at 749 (explaining that South Carolina asserted its state sovereign immunity, filing a motion to dismiss a suit against it in a Federal Maritime Commission proceeding); *Mylan Pharms. Inc. v. Saint Regis Mohawk Tribe*, No. IPR2016-00127, 2018 WL 1100950, at *1 (P.T.A.B. Feb. 23, 2018) (per curiam) (explaining that the Saint Regis Mohawk Tribe sought to assert its sovereign immunity in a proceeding at the Patent and Trademark Office).

⁹ See *Fed. Mar. Comm’n*, 535 U.S. at 756 (holding that state sovereign immunity extends to administrative adjudication when those proceedings are the “type of proceedings from which the Framers would have thought the States possessed immunity”).

¹⁰ Compare *Covidien LP v. Univ. of Fla. Research Found. Inc.*, No. IPR2016-01274, 2017 WL 4015009, at *17 (P.T.A.B. Jan. 25, 2017) (holding that state sovereign immunity was applicable in a proceeding in front of the PTO), with *Mylan*, 2018 WL 1100950, at *15 (holding that tribal sovereign immunity could not be asserted as a defense in a proceeding in front of the PTO), *aff’d*, 896 F.3d 1322 (Fed. Cir. 2018).

Part II will provide a brief overview of patent remedies and the adjudicatory proceedings of the PTO. Part III will examine cases where the federal courts have applied principles of immunity to patent cases as well as the PTAB's decisions applying sovereign immunity and examine inconsistencies in those decisions. Part IV will consider the policy implications for these doctrines and policy reasons for and against application of tribal immunity in administrative adjudications.

I. DOCTRINES OF SOVEREIGN IMMUNITY

Sovereign immunity doctrines have been well researched and frequently discussed. This Part will provide a brief history of the two doctrines at issue, state and tribal sovereign immunity, and a discussion of the relevant law for the doctrines.

A. State Immunity

State sovereignty and immunity was recognized before the Constitutional Convention.¹¹ State sovereignty was debated prior to the ratification of the Constitution as well, as seen in Alexander Hamilton's statement that "[i]t is inherent in the nature of sovereignty, not to be amenable to the suit of an individual without its consent."¹² Given this view of sovereignty, it is unsurprising that the Constitution contains no provisions about state sovereign immunity, though the Constitution contemplated a possibility of such immunity,¹³ as Article III grants the federal courts jurisdiction over "[c]ontroversies between two or more States."¹⁴ Prior to the ratification of the Eleventh Amendment, the Court considered the question of state immunity in *Chisholm v. Georgia*.¹⁵ The Court, with each Justice writing a separate opinion, concluded that a State was not immune from suit, with three Justices relying on the Constitution's grant of judicial power in Article III to support their opinions.¹⁶ The Court's opinion resulted in an adverse

¹¹ See *Alden v. Maine*, 527 U.S. 706, 713 (1999) ("[T]he States' immunity from suit is a fundamental aspect of the sovereignty which the States enjoyed before the ratification of the Constitution, and which they retain today . . . except as altered by the plan of the Convention or certain constitutional Amendments.").

¹² THE FEDERALIST NO. 81 (Alexander Hamilton) ("Unless therefore, there is a surrender of this immunity in the plan of the convention, it will remain with the states . . .").

¹³ RICHARD H. FALLON, JR. ET AL., HART AND WECHSLER'S THE FEDERAL COURTS AND THE FEDERAL SYSTEM 905 (7th ed. 2015).

¹⁴ U.S. CONST. art. III, § 2.

¹⁵ 2 U.S. (2 Dall.) 419, 420 (1793).

¹⁶ *Id.* at 450 (opinion of Blair, J.) ("What then do we find there [in the Constitution] requiring the submission of individual States to the judicial authority of the *United States*? This is expressly extended, among other things, to controversies between a State and citizens of another State."); *id.*

reaction, leading to the Eleventh Amendment.¹⁷

The Eleventh Amendment provides that a suit in equity cannot be commenced against one of the states by citizens of another state or by citizens of a foreign state.¹⁸ Initially, the Supreme Court interpreted the amendment narrowly.¹⁹ However, the Supreme Court broadened its interpretation at the end of the nineteenth century in *Hans v. Louisiana*.²⁰ In *Hans*, the Court held that the Eleventh Amendment extended to include suits brought against one of the states by citizens of that state, despite the amendment's failure to include such language.²¹ Since *Hans*, the Court has justified state sovereign immunity through theories of federalism and state dignity. The states entered the "federal system with their sovereignty intact,"²² rather than "consent[ing] to become mere appendages of the Federal Government."²³ Thus, state sovereign immunity is a balance between state and federal rights. The Court has also stated that one of the purposes of "state sovereign immunity is to accord States the dignity that is consistent with their status as sovereign entities."²⁴

After *Hans*, the Court has primarily focused on two exceptions to state sovereign immunity: the states' waiver of their immunity and congressional ability to abrogate state sovereign immunity.²⁵ Both exceptions present narrow circumstances in which a state may not claim immunity. For a state to waive immunity, the Court has required express language,²⁶ though a state

at 466–67 (opinion of Cushing, J.) (citing U.S. CONST. art. III, § 2); *id.* at 479 (opinion of Jay, J.) (also citing U.S. CONST. art. III, § 2); *see also* U.S. CONST. art. III, § 2 ("The judicial Power shall extend to . . . Controversies between two or more States;—between a State and Citizens of another State . . .").

¹⁷ FALLON, *supra* note 13, at 906.

¹⁸ U.S. CONST. amend. XI.

¹⁹ *See e.g.*, *Osborn v. Bank of the United States*, 22 U.S. (9 Wheat) 738, 857–58 (1824) (holding that for the Eleventh Amendment to apply, a state must be a named party in the suit); *Cohens v. Virginia*, 19 U.S. (6 Wheat) 264, 410, 412 (1821) (concluding that Virginia could not assert immunity under the Eleventh Amendment because a petition for a writ of error was not a suit because a writ of error acts only on the record, not the parties, and that even if it were a suit, the Eleventh Amendment could not apply because the case was between a state and a citizen of the same state).

²⁰ 134 U.S. 1 (1890).

²¹ *Id.* at 10–11, 16. *Hans* argued that the Eleventh Amendment did not bar his suit against Louisiana because he was a citizen of Louisiana and the amendment only prevented suits brought by citizens of a different state or of a foreign state. *Id.* at 10. The Court held that to allow suits between a state and its own citizens would be inconsistent with the ultimate sovereignty the amendment created. *Id.* at 11. As a result, the Court concluded that a state could not be sued without its consent. *Id.* at 16.

²² *Blatchford v. Native Vill. of Noatak*, 501 U.S. 775, 779 (1991).

²³ *Fed. Mar. Comm'n v. S.C. State Ports Auth.*, 535 U.S. 743, 751 (2002).

²⁴ *Id.* at 760 (citing *In re Ayers*, 123 U.S. 443, 505 (1887)).

²⁵ Tejas N. Narechania, Note, *An Offensive Weapon?: An Empirical Analysis of the "Sword" of State Sovereign Immunity in State-Owned Patents*, 110 COLUM. L. REV. 1574, 1579–80 (2010).

²⁶ *Id.* at 1580 (citing *Edelman v. Jordan*, 415 U.S. 651, 673 (1974)).

may also waive its immunity through litigation conduct by voluntarily becoming party to a suit.²⁷ In *Lapides v. Board of Regents of University System of Georgia*,²⁸ the Court considered when litigation conduct would amount to waiver of a state's immunity. The Court held that Georgia voluntarily agreed to remove its case to federal court, and therefore voluntarily invoked the federal court's jurisdiction in a way that was analogous to a state voluntarily appearing in court, as in *Clark v. Barnard* and *Gunter v. Atlantic Coast Line Railroad Co.*²⁹ Thus, any time that a state voluntarily invokes the jurisdiction of the federal courts, it has waived its immunity, regardless of the state's motives for doing so.³⁰

The Court has similarly required an unmistakably clear, express statement of Congress's statutory intention to abrogate state sovereign immunity for a state to be subject to a federal suit.³¹ The Court has also placed additional limits on abrogation. In *Seminole Tribe v. Florida*, the Court considered the Indian Gaming Regulatory Act, passed by Congress under the Indian Commerce Clause of the Constitution.³² The Act gave the district courts jurisdiction over causes of action arising from a state's failure to negotiate with an Indian tribe in good faith.³³ The Court held that although the Constitution provided Congress complete law-making authority in certain areas, the Eleventh Amendment prevented Congress from authorizing suits between private parties and unconsenting states.³⁴ Congress's Article I powers could not be used to circumvent the restrictions the Eleventh Amendment placed on Article III judicial powers.³⁵ In so holding, the Court noted that certain provisions of the Constitution would allow for abrogation, in particular the Fourteenth Amendment because it contains prohibitions that were expressly directed at the states and gave Congress the power to enforce those provisions.³⁶

Similar to the Indian Gaming Regulatory Act at issue in *Seminole Tribe*, Congress amended the patent laws in 1992 to expressly abrogate state

²⁷ *Gunter v. Atl. Coast Line R.R. Co.*, 200 U.S. 273, 284 (1906) (“[W]here a State voluntarily becomes a party to a cause and submits its rights for judicial determination, it will be bound thereby and cannot escape the result of its own voluntary act by invoking the prohibitions of the Eleventh Amendment.”); Narechania, *supra* note 25, at 1580–81.

²⁸ 535 U.S. 613 (2002).

²⁹ *Lapides*, 535 U.S. at 619–20 (citing *Gunter*, 200 U.S. at 284; *Clark v. Barnard*, 108 U.S. 436, 447 (1883)).

³⁰ *Id.* at 620–21.

³¹ *Seminole Tribe of Fla. v. Florida*, 517 U.S. 44, 55–57 (1996).

³² *Id.* at 47 (citing U.S. CONST. art. I, § 8, cl. 3).

³³ Indian Gaming Regulatory Act, Pub. L. No. 100-497, §11, 102 Stat. 2467 (1988) (codified as 25 U.S.C. § 2710 (d)(7)(A)-(B) (2012)).

³⁴ *Seminole Tribe*, 517 U.S. at 72–73.

³⁵ *Id.*

³⁶ *Id.* at 59 (citing *Fitzpatrick v. Bitzer*, 427 U.S. 445, 453 (1976)).

sovereign immunity from patent infringement claims in the Patent and Plant Variety Protection Remedy Clarification Act.³⁷ In *Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank*, the Court applied the framework from *Seminole Tribe*, determining first whether Congress clearly expressed its intent to abrogate state immunity and second whether abrogation was a valid exercise of power.³⁸ Though the Court found that Congress had clearly expressed its intent to abrogate immunity, the Court maintained that Article I did not grant Congress authority to abrogate immunity and that such authority would have to be found in the Fourteenth Amendment.³⁹ For the Fourteenth Amendment to support a valid abrogation, Congress was required to identify a transgression of the Fourteenth Amendment and then narrowly tailor legislation to that transgression, as asserted in *City of Boerne v. Flores*.⁴⁰ The Court found that the Patent Remedy Act could not be sustained under the Fourteenth Amendment because there was an insufficient legislative history to support a finding that Congress was attempting to remedy a Fourteenth Amendment violation through the Act.⁴¹

The Court has also extended the doctrine of state sovereign immunity to administrative adjudication proceedings. The Court first considered the question of whether state sovereign immunity should apply in administrative adjudications in *Federal Maritime Commission v. South Carolina State Ports Authority*.⁴² While the Court recognized that the Eleventh Amendment did not specifically grant immunity from adjudicative proceedings, it recognized that their past precedents demonstrate that the Eleventh Amendment did not define the full scope of state sovereign immunity.⁴³ Therefore, to determine whether state sovereign immunity should apply in an administrative adjudication, the Court looked at the administrative hearing and whether it was the type of proceeding in which the Framers would have thought state

³⁷ Brandon White, Comment, *Protecting Patent Owners from Infringement By the States: Will the Intellectual Property Rights Restoration Act of 1999 Finally Satisfy the Court?*, 35 AKRON L. REV. 531, 543 (2002); see also Patent and Plant Variety Protection Remedy Clarification Act, Pub. L. No. 102-560, 106 Stat. 4230, § 2 (1992) (codified as amended in 35 U.S.C. § 271 (2012)) (stating that any state is subject to the provisions of Title 35 to the same extent as a nongovernmental entity).

³⁸ 527 U.S. 627, 635 (1999).

³⁹ *Id.* at 635–36. Congress attempted to justify the Patent Remedy Act under the Intellectual Property Clause, Commerce Clause, and section 5 of the Fourteenth Amendment, though the Court held that only the Fourteenth Amendment could support such an abrogation of state immunity. *Id.* (citing U.S. CONST. art I, § 8, cl. 8 (“To promote the Progress of Science and useful Arts . . .”); U.S. CONST. art I, § 8 cl. 3 (“To regulate Commerce with foreign Nations, and among the several States . . .”); U.S. CONST. amend XIV, § 5 (granting Congress power to enforce the provisions of the Fourteenth Amendment)).

⁴⁰ *Fla. Prepaid*, 527 U.S. at 639–40 (citing *City of Boerne v. Flores*, 521 U.S. 507, 525 (1997)).

⁴¹ *Id.* at 640, 642.

⁴² 535 U.S. 743 (2002).

⁴³ *Id.* at 753.

sovereign immunity should apply.⁴⁴ The Court concluded that administrative hearings at the Federal Maritime Commission bore “a remarkably strong resemblance to civil litigation in federal courts,” and, thus, were the type of proceedings in which state sovereign immunity should apply.⁴⁵

B. Tribal Immunity

While the Supreme Court has yet to make a determination of whether tribal sovereign immunity should apply in administrative adjudications, it is important to understand the state of tribal immunity doctrine that will inform the issue. Unlike state sovereign immunity and modern foreign sovereign immunity, tribal sovereign immunity is not a constitutional or statutory grant but is “recognized as a matter of federal common law.”⁴⁶ The doctrine of tribal sovereign immunity, however, does share common origins with state and foreign sovereign immunities.⁴⁷ In part, this common origin is a function of the United States’ early interactions with tribes, both before and after winning independence from Great Britain.⁴⁸ The Constitution grants Congress the authority to “regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes.”⁴⁹ The United States continued to make treaties with the Indian tribes, with Congress itself having minimal involvement with the tribes, other than legislation for the purposes of enforcing treaties.⁵⁰

In an early set of cases, the Marshall Court considered the status of Indian tribes as sovereign entities.⁵¹ The Court distinguished Indian tribes from both the states and foreign nations in *Cherokee Nation v. Georgia*,⁵² stating that the tribes were more like “domestic dependent nations,” which still maintained sovereignty, as seen in the way that tribes managed their own affairs and governed themselves.⁵³ A year later in *Worcester v. Georgia*,⁵⁴ the

⁴⁴ *Id.* at 756.

⁴⁵ *Id.* at 744, 759.

⁴⁶ Catherine T. Struve, *Sovereign Litigants: Native American Nations in Court*, 55 VILL. L. REV. 929, 949 (2010).

⁴⁷ William Wood, *It Wasn't an Accident: The Tribal Sovereign Immunity Story*, 62 AM. U. L. REV. 1587, 1623 (2013).

⁴⁸ *Id.* at 1623–24. European countries, including Great Britain, treated Indian tribes as independent sovereign states within the borders of their colonies. *Id.* at 1623. After declaring independence from Great Britain, the United States continued to enter into treaties with Indian tribes under the Articles of Confederation. *Id.* at 1624.

⁴⁹ U.S. CONST. art. I, § 8, cl. 3.

⁵⁰ Wood, *supra* note 47, at 1625.

⁵¹ Struve, *supra* note 6, at 140.

⁵² 30 U.S. (5 Pet.) 1 (1831).

⁵³ *Id.* at 16–17.

⁵⁴ 31 U.S. (6 Pet.) 515 (1832).

Court reaffirmed the sovereignty of the Indian tribes, asserting that the tribes retained their right to self-government and only relied on the United States for protection.⁵⁵ The Court began to recognize the sovereign immunity of Indian tribes in *Parks v. Ross*,⁵⁶ as the Court asserted that the Cherokees were a foreign, independent nation, and that the federal government had not granted the federal courts the power to decide matters relating to the Cherokee as a nation.⁵⁷ With the foundations of tribal sovereign immunity established, the Court was more explicit about tribal immunity in 1919, though the Court did not fully discuss the doctrine at that time.⁵⁸ However, the Court later established that Indian tribes would be immune from suit absent a congressional grant of authority to the federal courts.⁵⁹ In doing so, the Court based its decision on public policy that both the United States and its “dependent sovereigns” should be exempt from suits that they did not consent to.⁶⁰ The Court has additionally held that abrogation of tribal sovereign immunity, like abrogation of state sovereign immunity, requires an unequivocal expression of that purpose, though the authority to abrogate is not limited in the same ways that it is for state sovereign immunity.⁶¹

The Supreme Court has continued to reaffirm a broad tribal sovereign immunity doctrine.⁶² The Court’s recent decisions, however, have expressed some uneasiness with the broad scope of tribal sovereign immunity, most notably in *Kiowa Tribe of Oklahoma v. Manufacturing Technologies*.⁶³ Despite upholding its broad scope, the Court was critical of tribal sovereign immunity, claiming that it developed by accident, arguing that the rationale behind its broad scope no longer exists, but ultimately deferring to Congress to limit the scope.⁶⁴ In particular, the Court drew a parallel between tribal

55 *Id.* at 556. The Court noted that Indian tribes were necessarily dependent on foreign nations to prevent intrusions into their territory, and thus, the relationship between the United States and the tribes was “that of a nation claiming and receiving the protection of one more powerful[,] not that of individuals abandoning their national character.” *Id.* at 555.

56 52 U.S. (11 How.) 362 (1850).

57 *Id.* at 374.

58 Katherine J. Florey, *Indian Country’s Borders: Territoriality, Immunity, and the Construction of Tribal Sovereignty*, 51 B.C. L. REV. 595, 619 (2010) (citing *Turner v. United States*, 248 U.S. 354, 358 (1919)).

59 See *United States v. U.S. Fid. & Guar. Co.*, 309 U.S. 506, 512 (1940) (“Indian Nations are exempt from suit without Congressional authorization.”).

60 Wood, *supra* note 47, at 1653 (citing *U.S. Fid. & Guar. Co.*, 309 U.S. at 512–13).

61 *Michigan v. Bay Mills Indian Cmty.*, 134 S. Ct. 2024, 2031 (2014) (quoting *C & L Enters., Inc. v. Citizen Band Potawatomi Tribe of Okla.*, 532 U.S. 411, 418 (2001)).

62 See, e.g., *Blatchford v. Native Vill. of Noatak*, 501 U.S. 775, 782 (1991) (stating that Indian tribes did not surrender the immunity when the Constitution was adopted because the tribes were not present at the Constitutional Convention and cannot be bound by “a convention to which they were not even parties.”); *Santa Clara Pueblo v. Martinez*, 436 U.S. 49, 58 (1978) (recognizing that Indian tribes have common-law immunity from suit, though it is subject to abrogation by Congress).

63 523 U.S. 751 (1998); Struve, *supra* note 6, at 153.

64 *Kiowa*, 523 U.S. at 756, 758. Scholars contend that the Court in *Kiowa* mischaracterized the tribal

sovereign immunity and foreign sovereign immunity, noting that foreign sovereign immunity was initially a judicial doctrine, which Congress limited and defined in the Foreign Sovereign Immunities Act to provide more predictable rules.⁶⁵ The Court's criticism of tribal sovereign immunity in *Kiowa*, as William Wood argues, generally undermined the legitimacy of the doctrine itself.⁶⁶ As a result, the lower federal courts and the state courts have followed suit, carving out exceptions in some cases, despite the Court's statement that immunity applies unless Congress has abrogated immunity or unless the tribe has waived immunity.⁶⁷

C. State Sovereign Immunity and Tribal Sovereign Immunity Compared

Tribal sovereign immunity bears resemblance to the state sovereign immunity doctrine in important ways. While tribal sovereign immunity arises out of the concerns that are more similar to those of foreign sovereign immunity, and is similarly a judicial creation,⁶⁸ it bears resemblance to state sovereign immunity in the breadth of the doctrine and the Court's formulations of rules for abrogation.

One of the most notable aspects of state sovereign immunity is its connection to the Constitution, both in the grant of state sovereign immunity found in the Eleventh Amendment and the use of the Fourteenth Amendment in the Court's abrogation doctrine. The Court has therefore used the Constitution to significantly limit the instances when state sovereign

sovereign immunity doctrine as developing by accident. See Wood, *supra* note 47, at 1657 (“[T]he Court’s characterizations of the doctrine, and especially its history are incorrect. The above analysis makes it abundantly clear that the doctrine did not develop by accident.”); Struve, *supra* note 6, at 154 (“The *Kiowa* Court was inaccurate in assuming that *Turner* provides the earliest Supreme Court reference to principles of tribal sovereign immunity . . .”).

⁶⁵ *Kiowa*, 523 U.S. at 759.

⁶⁶ Wood, *supra* note 47, at 1598.

⁶⁷ *Id.* at 1599; see, e.g., TTEA v. Ysleta del Sur Pueblo, 181 F.3d 676, 680–81 (5th Cir. 1999) (distinguishing *Kiowa* as an action for damages and holding that tribal doctrine immunity does not support a dismissal of actions for declaratory or injunctive relief).

⁶⁸ Foreign sovereign immunity does not have a basis in the Constitution, like state sovereign immunity, but arises out of international common law principles. Andrea M. Seielstad, *The Recognition and Evolution of Tribal Sovereign Immunity Under Federal Law: Legal, Historical, and Normative Reflections on a Fundamental Aspect of American Indian Sovereignty*, 37 TULSA L. REV. 661, 675 (2002). Foreign sovereign immunity rested primarily on deference to the political branches of government through the twentieth century, changing with the policies of the State Department. See Verlinden B.V. v. Cent. Bank of Nigeria, 461 U.S. 480, 486 (1983) (“[T]his Court consistently has deferred to the decisions of the political branches—in particular, those of the Executive Branch—on whether to take jurisdiction over actions against foreign sovereigns and their instrumentalities.”); *Ex parte Republic of Peru*, 318 U.S. 578, 588–89 (1943) (recognizing the Court’s duty to defer to the State Department in order to maintain relations with foreign powers). Congress eventually codified foreign sovereign immunity. See Foreign Sovereign Immunities Act of 1976, Pub L. No. 94-583, 90 Stat. 2892 (codified as amended in scattered sections of 28 U.S.C. (2012)).

immunity may be abrogated.⁶⁹ Tribal sovereign immunity is not based in the Constitution, but is a judicial creation.⁷⁰ As a result, the limitations on tribal sovereign immunity are slightly different than those of state sovereign immunity. Tribal sovereign immunity, though subject to abrogation by Congress like state sovereign immunity, does not face the same constitutional limits as state sovereign immunity; valid congressional abrogation of tribal immunity is not limited to uses of Congress's Fourteenth Amendment power. The consequence of this difference is that while there are many instances where sovereign immunity might apply regardless of if a party is a state or a tribe, there are many other scenarios when only states might be able to assert immunity.⁷¹

Another distinction between state and tribal sovereign immunity is the justification the Court espouses when discussing them. The Court often points to the dignity of the states when discussing state sovereign immunity.⁷² While the Court sometimes justifies tribal sovereign immunity with arguments about preserving their dignity, such arguments are rarely made.⁷³ It is far more common for the Court to point to self-sufficiency and economic development as justifications of tribal sovereign immunity.⁷⁴ While the

69 See *Fla. Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*, 527 U.S. 627, 636–37 (1999) (determining that Congress could only validly abrogate state sovereign immunity using its Fourteenth Amendment powers); *Seminole Tribe of Fla. v. Florida*, 517 U.S. 44, 72–73 (1996) (holding that the Eleventh Amendment restricted the Court's use of Article III power over states and that Congressional power under Article I could not be used to avoid such constitutional restrictions).

70 See Seielstad, *supra* note 68, at 675 (“[T]he federal judiciary and Congress have also recognized the doctrine of sovereign immunity with respect to . . . American Indian tribes. Tribes . . . however, are not part of the constitutional design . . .”).

71 For example, while Congress was unable to abrogate state immunity in the Patent Remedy Act, the same abrogation of tribal immunity would likely be considered valid. *Fla. Prepaid*, 527 U.S. at 630 (holding that Congress had not successfully abrogated state sovereign immunity through the Patent Remedy Act).

72 See, e.g., *Fed. Mar. Comm'n v. S.C. State Ports Auth.*, 535 U.S. 743, 760 (2002) (“The preeminent purpose of state sovereign immunity is to accord States the dignity that is consistent with their status as sovereign entities.”); *Alden v. Maine*, 527 U.S. 706, 714 (1999) (stating that the federal system preserves the sovereignty of the states by reserving them their dignity and through concurrent authority over people with the federal government); see also Peter J. Smith, *States as Nations: Dignity in Cross-Doctrinal Perspective*, 89 VA. L. REV. 1, 11 (2003) (arguing that the Court has increasingly relied on the dignitary interests of the states to justify expanding the state sovereign immunity doctrine). Peter Smith notes that the current Court did not create the dignity rationale, but did choose to revive it, making the rationale increasingly central to the reasoning of its decisions. *Id.* at 24. Smith further asserts that the Court's recent use of the term “state dignity” has little relation to its historic meaning derived from the law of nations that was used to initially develop foreign sovereign immunity doctrine. *Id.* at 107.

73 *But see Michigan v. Bay Mills Indian Cmty.*, 134 S. Ct. 2024, 2042 (2014) (Sotomayor, J., concurring) (determining that tribes and states cannot sue each other because allowing such suits would “fail to respect the dignity of Indian Tribes”).

74 See *Okla. Tax. Comm'n v. Citizen Band Potawatomi Indian Tribe of Okla.*, 498 U.S. 505, 510 (1991) (quoting *California v. Cabazon Band of Mission Indians*, 480 U.S. 202, 216 (1987))

Court seems to use the language of “state dignity” less in its justifications of tribal, it does not make sense to limit it in that way. The idea of “state dignity” first developed in relation to foreign states and the law of nations.⁷⁵ Given that the Court has considered tribes to be quasi-sovereign nations that are foreign to the federal and state governments of the United States,⁷⁶ it seems that the Court in some ways considers tribes to be like foreign nations. In comparing the tribes to the states and to foreign nations, it is odd for the Court to discuss the states’ immunity in terms of “state dignity” but not the immunity of tribes as such. The states and tribes are both subordinate to the federal government in some ways, and yet the tribes, in other ways, have more independence from the federal government, operating for some functions in ways more similar to foreign nations.⁷⁷ This is all to say that while the Court seems to justify doctrines of sovereign immunity in different ways, the distinctions between the justification of the doctrines do not present a bright line and the justifications should apply across immunity doctrines.

II. PATENT VALIDITY AND INFRINGEMENT PROCEEDINGS

Before examining the way that the PTO has applied state and tribal immunity, this Part will briefly discuss patent validity and infringement claims and how they are adjudicated at the PTO.

A. *Traditional Avenues for Asserting Patent Validity and Infringement*

Before the Leahy-Smith America Invents Act was passed in 2011, patent rights were asserted primarily in the federal district courts. This is because Congress has explicitly stated that the district courts have original jurisdiction over civil actions relating to patents and that no state court has jurisdiction over claims relating to patents.⁷⁸ Patent cases typically require a patentee to sue alleging that someone has infringed her patent. In these cases, the alleged infringer will usually assert a defense of noninfringement or invalidity.⁷⁹ However, declaratory relief is also sometimes available; an alleged infringer

(identifying Congress’s failure to abrogate tribal immunity as promoting Indian self-government, including self-sufficiency and economic development). *But see* *Kiowa Tribe of Okla. v. Mfg. Techs., Inc.*, 523 U.S. 751, 758 (1998) (expressing concern that immunity may have detrimental economic effects for parties unfamiliar with tribal immunity, particularly in tort cases).

⁷⁵ Smith, *supra* note 72, at 28–29.

⁷⁶ *Santa Clara Pueblo v. Martinez*, 436 U.S. 49, 71 (1978).

⁷⁷ Tribes often have their own courts and are financially independent of the United States government. *See* Kirke Kickingbird, *Striving for the Independence of Native American Tribal Courts*, 36 HUM. RTS., Winter 2009, at 16, 16–17 (describing tribal governance structure).

⁷⁸ 28 U.S.C. § 1338 (2012).

⁷⁹ 35 U.S.C. § 282(b) (2012).

may seek a declaratory judgement that a patent is invalid.⁸⁰ In order to invoke a declaratory judgement, though, the alleged infringer must show there is an actual controversy under the Declaratory Judgement Act.⁸¹ Additionally, Congress has created a special scheme for resolving patent disputes that involve generic drugs that infringe patents of existing drugs.⁸²

In a patent case in the district court, there is a rebuttable presumption that the patent asserted is valid.⁸³ As a result, a party asserting invalidity has the burden of proving invalidity by clear and convincing evidence.⁸⁴ Furthermore, when asserting that a patent is invalid, the alleged infringer may do so on the basis of any ground specified in §§ 101–103 or claim that the patent fails to comply with the requirements of § 112.⁸⁵ These grounds include lack patentable subject matter (§ 101), lack of novelty, also called anticipation (§ 102), obviousness (§ 103), and lack of written description or enablement (§ 112).

B. Inter Partes Review

Congress created *inter partes* review (“IPR”) as an alternative to federal court litigation of patent invalidity in 2011 as part of the Leahy-Smith America Invents Act. Though the initial process of obtaining a patent provides no opportunity for third parties to challenge its validity, IPRs allow for any person who is not the patent owner to challenge the patent.⁸⁶ Nine months after a patent is issued, anyone may petition the PTO to institute an IPR of the patent to cancel one or more of the patent claims.⁸⁷ The grounds on which a patent may be challenged in an IPR are more limited than in a district court proceeding; in an IPR, the patent may only be challenged for anticipation (§ 102) or obviousness (§ 103).⁸⁸

Once the PTO has been petitioned for an IPR, the Director of the PTO must authorize the IPR to be instituted. The petitioner must demonstrate that there is a reasonable likelihood that the petitioner will prevail on at least

⁸⁰ CRAIG ALLEN NARD, *THE LAW OF PATENTS* 766 (4th ed. 2017).

⁸¹ 28 U.S.C. § 2201(a) (2012); NARD, *supra* note 80, at 766.

⁸² For a detailed explanation of this scheme, see generally *ANDA LITIGATION: STRATEGIES AND TACTICS FOR PHARMACEUTICAL PATENT LITIGATORS* (Kenneth L. Dorsney ed., 2d ed. 2016).

⁸³ 35 U.S.C. § 282(a).

⁸⁴ *See* *Microsoft Corp. v. I4I Ltd. P’ship*, 564 U.S. 91, 95 (2011) (holding that § 282 of the Patent Act requires an invalidity defense to be proved by clear and convincing evidence).

⁸⁵ 35 U.S.C. § 282(b). One of the § 112 requirements is excepted from the available defenses: a patent may not be declared invalid, and thus cancelled, for failure to disclose a best mode, though failure to disclose a best mode may be grounds for denial of an application at the PTO. *Id.*; 35 U.S.C. § 112 (2012).

⁸⁶ 35 U.S.C. § 311 (2012); NARD, *supra* note 80, at 41–42.

⁸⁷ 35 U.S.C. § 311(c)(1).

⁸⁸ 35 U.S.C. § 311(b).

one of the claims challenged by the petition.⁸⁹ Decisions on whether to institute an IPR are final and nonappealable, though a party may request a rehearing on the decision.⁹⁰ Once instituted, a decision on validity may be appealed to the Federal Circuit.⁹¹

If an IPR is instituted, the petitioner must prove to the PTAB that the patent claims are invalid by a preponderance of the evidence.⁹² This is a much lower burden of proof than the standard applied by the federal courts, which require invalidity to be proved by clear and convincing evidence due to the presumption of validity that the courts give to patents that have been granted by the PTO.⁹³ IPR proceedings also differ from the proceedings in the federal courts in their discovery procedures, and previously their claim construction procedures.⁹⁴ Once a final decision has been reached on the patent's validity, the petitioner may not file a new IPR regarding any challenged patent claims that were raised or could have been raised during the review.⁹⁵ The petitioner also may not assert that such a claim is invalid in a district court or International Trade Commission action.⁹⁶ Essentially, the decision of the PTAB precludes the same parties from litigating invalidity on those claims in any other forum.⁹⁷

Since IPRs were first held in September 2012 to the end of 2017, over 7,000 IPR petitions have been filed.⁹⁸ Of those proceedings, approximately

⁸⁹ 35 U.S.C. § 314(a).

⁹⁰ 37 C.F.R. § 42.71(c)-(d) (2015).

⁹¹ 35 U.S.C. §§ 141, 319.

⁹² 37 C.F.R. § 42.1(d) (2015).

⁹³ Adriana L. Burgy, *Five Considerations Before Filing an IPR*, FINNEGAN: AIA BLOG (May 1, 2013), <https://www.finnegan.com/en/insights/blogs/america-invents-act/five-considerations-before-filing-an-ipr.html>.

⁹⁴ Until recently, in IPR proceedings, claims were “given [their] broadest reasonable construction in light of the specification of the patent in which [they] appear,” while district courts construed the claims more narrowly, sometimes consulting extrinsic evidence to construe the claim. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1317 (Fed. Cir. 2005) (en banc) (internal quotation marks and citation omitted); 37 C.F.R. §§ 42.100(b), 42.200(b). A party in an IPR may also request that the PTAB construes the claims according to the district court approach if they certify that the patent will expire within eighteen months of the filing date of the petition. 37 C.F.R. § 42.100(b). While courts may consider extrinsic evidence in claim construction, the Federal Circuit held in *Phillips* that intrinsic evidence, such as the patent specification, should be given more weight in claim construction than extrinsic evidence, like dictionaries. *Phillips*, 415 F.3d at 1323–24. However, on October 11, 2018 the PTO passed a final rule that changed its claim construction standard to comport with the claim construction that would be conducted in a federal court under the America Invents Act, 35 U.S.C. § 282(b). 83 Fed. Reg. 51,342 (October 11, 2018) (to be codified at 37 C.F.R. pt. 42).

⁹⁵ *America Invents Act (AIA) Frequently Asked Questions*, U.S. PATENT & TRADEMARK OFFICE (Aug. 14, 2014, 12:26 AM), <https://www.uspto.gov/patent/laws-and-regulations/america-invents-act-aia/america-invents-act-aia-frequently-asked#3242> (last modified Aug. 5, 2016, 11:17 PM).

⁹⁶ *Id.*

⁹⁷ The petitioner may still appeal the decision to the Federal Circuit, and the decision would have the same preclusive effects. 35 U.S.C. §§ 319, 329.

⁹⁸ U.S. PATENT & TRADEMARK OFFICE, TRIAL STATISTICS: IPR, PGR, CBM 3 (2017),

twenty-four percent resulted in a final written decision, and about eighty-one percent of those written decisions found that some or all claims at issue in the proceeding were unpatentable.⁹⁹ Given the high percentage of claim invalidation, patent owners have sought ways to immunize themselves from IPR. For example, the Supreme Court recently considered a challenge to IPR that asserted that such proceedings were unconstitutional,¹⁰⁰ as well as a challenge regarding whether the PTAB could institute some challenged claims but not others in an IPR.¹⁰¹

III. APPLICATIONS OF SOVEREIGN IMMUNITY IN PATENT CASES AND *INTER PARTES* REVIEW

Sovereign immunity arguments to prevent suits for patent invalidity and infringement are relatively new. As a result, some sovereign immunity doctrines have only recently been applied by courts to patent cases. This Part will examine recent cases that have applied sovereign immunity in patent cases (both in federal courts and in adjudications by the PTO), and inconsistencies between those decisions that ought to be resolved.

A. *State Sovereign Immunity in Patent Cases*

State sovereign immunity has been asserted in patent cases far more than tribal sovereign immunity. As *Florida Prepaid* held, Congress's attempt to abrogate state immunity for patent cases was unsuccessful, since Congress did not utilize a constitutional provision that could validly support abrogation.¹⁰² As a result, states have asserted their sovereign immunity in subsequent cases to avoid liability for patent infringement and other patent-related issues. For example, in one case, a state asserted its immunity in an action seeking to correct the inventorship of a patent.¹⁰³ In *Ali v. Carnegie Institution of Washington*, a graduate student sued both a private institute and the University of Massachusetts, which as a state university, asserted state sovereign immunity.¹⁰⁴ The Federal Circuit held that the University of Massachusetts was immune from the suit, since the state never waived its immunity, and therefore found that the suit had to be dismissed under Rule

https://www.uspto.gov/sites/default/files/documents/Trial_Statistics_2017-12-31.pdf.

⁹⁹ *Id.* at 11.

¹⁰⁰ *Oil States Energy Servs., LLC v. Greene's Energy Grp., LLC*, 138 S. Ct. 1365, 1372 (2018) (analyzing whether IPR violates Article III or the Seventh Amendment).

¹⁰¹ *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1352–53 (2018) (holding that the PTAB must issue a final decision regarding the patentability of any patent claim challenged by the petitioner).

¹⁰² *Fla. Prepaid Postsecondary Educ. Expense Bd. v. Coll. Sav. Bank*, 527 U.S. 627, 639–40, 642 (1999).

¹⁰³ *Ali v. Carnegie Inst. of Wash.*, 684 F. App'x 985 (Fed. Cir. 2017) (per curium).

¹⁰⁴ *Id.* at 986–87, 992.

19(b).¹⁰⁵

State sovereign immunity has also been asserted in administrative proceedings in front of the PTO. In *Vas-Cath*,¹⁰⁶ the University of Missouri initiated an interference proceeding¹⁰⁷ under 35 U.S.C. § 135 at the PTO to determine whether their patent or that of Vas-Cath had priority.¹⁰⁸ The University of Missouri did not assert its immunity at the PTO, nor could it, given that by initiating the interference, the University clearly consented to the proceeding. However, after the PTO granted the University priority, Vas-Cath appealed the decision to the district courts.¹⁰⁹ At that point, the University asserted its Eleventh Amendment immunity.¹¹⁰ As the Federal Circuit considered whether the University of Missouri waived its sovereign immunity, it looked to *Lapides*, as well as its own precedent.¹¹¹ Although the Federal Circuit found that interference proceedings had strong similarities to civil litigation, so under *Federal Maritime Commission* state immunity would apply, it ultimately determined that because the University requested the interference, it had waived its immunity.¹¹²

The PTO has also considered questions of state sovereign immunity in IPR proceedings. In *Covidien*,¹¹³ after an IPR was instituted by the PTO, the University of Florida filed a motion to dismiss based on its sovereign immunity.¹¹⁴ First, the PTAB considered whether *Federal Maritime Commission* should apply in IPR proceedings.¹¹⁵ In doing so, the PTAB addressed arguments by the petitioner that *Federal Maritime Commission* should not apply because IPRs are directed at the patent itself, not the parties to the proceeding and because traditional remedies of injunctive relief and damages

¹⁰⁵ *Id.* at 992–994; *see also* FED. R. CIV. P. 19(b).

¹⁰⁶ *Vas-Cath, Inc. v. Curators of Univ. of Mo.*, 473 F.3d 1376 (Fed. Cir. 2007).

¹⁰⁷ Interference proceedings were administrative adjudications used to determine if a patent application should have priority over another patent or application within the meaning of 35 U.S.C. § 102(g) before the America Invents Act was passed. MANUAL OF PATENT EXAMINING PROCEDURE § 2301 (9th ed. 2017). Since the America Invents Act changed the United States to a first to file system, interference proceedings and priority contests do not apply to patents filed after the effective date of the America Invents Act.

¹⁰⁸ *Vas-Cath*, 473 F.3d at 1378.

¹⁰⁹ *Id.* at 1379. The case was initially appealed to the United States District Court for the District of Columbia. *Id.* It was transferred to the Western District of Missouri pursuant to 28 U.S.C. § 1406(a) on a motion by the University. *Id.*

¹¹⁰ *Id.*

¹¹¹ *Id.* at 1381–82 (citing *Lapides v. Bd. of Regents of Univ. Sys. of Ga.*, 535 U.S. 613 (2002); then citing *Regents of the Univ. of N.M. v. Knight*, 321 F.3d 1111, 1126 (Fed. Cir. 2003) (holding that when a state files a suit, thereby invoking the jurisdiction of the federal courts, it waives its immunity not just for its own claim, but also any compulsory counterclaims that arose out of the same conduct)).

¹¹² *Id.* at 1382–83 (citing *Fed. Mar. Comm'n v. S.C. State Ports Auth.*, 535 U.S. 743, 760 (2002)).

¹¹³ *Covidien LP v. Univ. of Fla. Research Found., Inc.*, IPR2016-01274, IPR2016-01275, IPR2016-01276, 2017 WL 4015009 (P.T.A.B. Jan. 25, 2017).

¹¹⁴ *Id.* at *1.

¹¹⁵ *Id.* at *5.

are unavailable in IPRs.¹¹⁶ However, the PTAB determined that both of these arguments were without merit.¹¹⁷ The PTAB first observed that “*inter partes*” translates to “between the parties,” and further determined that because the patent owner had to be served with the petition, the proceeding was directed toward the parties themselves, not just the patent.¹¹⁸ Additionally, the PTAB noted that sovereign immunity applied regardless of the relief a plaintiff (or petitioner) sought; the fact that the only remedy available in an IPR proceeding was cancellation of the patent was not a bar to sovereign immunity being asserted.¹¹⁹

After determining that *Federal Maritime Commission* should be applied, the PTAB considered the similarities between civil litigation and the proceedings in an IPR.¹²⁰ In particular, the PTAB identified discovery, an ability to submit additional briefing, and the similarities between Article III judges and the administrative patent judges that preside over IPRs as making IPRs similar to civil litigation.¹²¹ The PTAB also recognized that its ruling in this case would mean that all state entities would be able to claim Eleventh Amendment immunity from IPR proceedings, but the PTAB believed that the decision was consistent with the goals of state sovereign immunity in maintaining the dignity of the states.¹²²

B. Tribal Sovereign Immunity in Patent Cases

Similar to state sovereign immunity, tribal sovereign immunity has been asserted in patent cases. In a few cases, tribes have successfully asserted a defense of tribal immunity in patent infringement cases.¹²³ Congress has not abrogated tribal sovereign immunity in patent cases, so the courts are hesitant to find that tribal immunity should not apply in such cases.¹²⁴ More

¹¹⁶ *Id.* at *6.

¹¹⁷ *Id.*

¹¹⁸ *Id.*

¹¹⁹ *Id.* (quoting *Fed. Mar. Comm’n v. S.C. State Ports Auth.*, 535 U.S. 743, 765 (2002)).

¹²⁰ *Id.* at *8.

¹²¹ *Id.* at *9–10.

¹²² *Id.* at *11.

¹²³ See *Microlog Corp. v. Cont’l Airlines, Inc.*, No. 6:10-CV-260, 2011 WL 13141413, at *2 (E.D. Tex. Jul. 22, 2011) (“The Patent Act, though authorizing civil actions for infringement, does not unequivocally abrogate an Indian Tribe’s immunity from suit for patent infringement.”); *Specialty House of Creation, Inc. v. Quapaw Tribe*, No. 10-CV-371-GKF-TLW, 2011 WL 308903, at *1 (N.D. Okla. Jan. 27, 2011) (holding that a tribe could claim sovereign immunity in a patent infringement case because Congress did not expressly abrogate immunity); cf. *Bassett v. Mashantucket Pequot Tribe*, 204 F.3d 343, 357 (2d Cir. 2000) (finding that a tribe could claim immunity from a copyright infringement suit).

¹²⁴ Congress’s attempt to abrogate state sovereign immunity in the Patent Remedy Act did not also attempt to abrogate tribal sovereign immunity, though it is possible that Congress could take such action in the future.

recently, the Eastern District of Texas encountered an assertion of tribal sovereign immunity when defendants in a patent infringement case counter claimed that the patents in question were invalid.¹²⁵ In an effort to avoid having its patents invalidated, plaintiff Allergan assigned its patents to the Saint Regis Mohawk Tribe, joined the tribe to the suit in the district court, and the tribe asserted its immunity.¹²⁶ The district court, however, decided that the tribe's immunity was not applicable.¹²⁷ Since the case was initially brought by Allergan, and the patent interest was transferred during the course of the litigation, the court found that the action could be continued against Allergan.¹²⁸ As a result, the district court subsequently invalidated Allergan's six patents.¹²⁹

Turning to tribal immunity in administrative proceedings, it is first important to note that the Supreme Court has not determined whether tribal immunity could apply in an adjudicative proceeding at an administrative agency. The Ninth Circuit observed that tribal immunity is generally not asserted in administrative proceedings because tribes are not able to use their immunity to prevent the federal government from exercising its obligations.¹³⁰ Furthermore, the court in that case held that "tribal sovereignty does not extend to prevent the federal government from exercising its superior sovereign powers."¹³¹ While the Ninth Circuit held that the tribe's immunity did not extend to a federal administrative proceeding, the court also determined that the tribe's voluntary participation in that hearing did not waive its immunity in an action seeking review of the

¹²⁵ Allergan, Inc. v. Teva Pharms. USA, Inc., No. 2:15-cv-1455-WCB, 2017 WL 4619790, at *1 (E.D. Tex. Oct. 16, 2017).

¹²⁶ Adam Davidson, *Why is Allergan Partnering with the St. Regis Mohawk Tribe?*, NEW YORKER (Nov. 20, 2017), <https://www.newyorker.com/magazine/2017/11/20/why-is-allergan-partnering-with-the-st-regis-mohawk-tribe>; Jonathan D. Rockoff, *Patents Take Refuge With Indian Tribe*, WALL ST. J., Sep. 9, 2017, at B.1; see also Plaintiff's Production of Documents in Response to Court's October 6, 2017 Order at 510-1, Allergan, Inc. v. Teva Pharms. USA, Inc., No. 2:15-cv-01455-WCB (E.D. Tex. Oct. 10, 2017) (transferring ownership of patents from Allergan to the Saint Regis Mohawk Tribe).

¹²⁷ Allergan, 2017 WL 4619790, at *4.

¹²⁸ *Id.* at *4-5. The court further noted that its decision to order the tribe to be joined in the suit had no bearing on the validity of the patents or the assignment of those patents. *Id.* at *5. The court additionally expressed misgivings about the validity of the transfer before stating that it will join the tribe as a plaintiff to avoid any challenge on that ground. *Id.*

¹²⁹ Allergan, Inc. v. Teva Pharms. USA, Inc., No. 2:15-cv-1455-WCB, 2017 WL 4803941, at *65 (E.D. Tex. Oct. 16, 2017). The case is currently on appeal to the Federal Circuit. See Allergan, Inc. v. Teva Pharms. USA, Inc., No. 18-1130 (Fed. Cir. Nov. 1, 2017).

¹³⁰ Quileute Indian Tribe v. Babbitt, 18 F.3d 1456, 1459 (9th Cir. 1994).

¹³¹ *Id.* It should be noted that *Quileute Indian Tribe* involves an administrative proceeding in front of the Interior Board of Indian Appeals, which has jurisdiction over appeals involving Indian matters. *About the Interior Board of Indian Appeals*, U.S. DEP'T OF THE INTERIOR, <https://www.doi.gov/oha/organization/ibia> (last visited Oct. 31, 2018). What the Ninth Circuit terms as superior sovereign powers likely do not relate to all administrative agencies of the federal government, but instead likely apply to those that exercise direct control over Indian affairs.

administrative decision.¹³²

The Ninth Circuit's opinion and reasoning was considered in a recent IPR case that addressed tribal immunity in PTO proceedings.¹³³ The defendants in Allergan's Eastern District of Texas case filed petitions for IPRs on the same six patents at issue in the district court, before a decision was rendered in that case.¹³⁴ Once again, the Saint Regis Mohawk Tribe asserted its tribal immunity in an effort to stop the invalidation of the patents.¹³⁵ Unlike the district court, which did not discuss whether tribal sovereign immunity should apply, the PTAB fully examined whether or not tribal immunity should apply in IPR proceedings. First, the PTAB noted that, unlike for state sovereign immunity, there was no federal court precedent that suggested that *Federal Maritime Commission* should apply not just to state sovereign immunity, but also to tribal immunity in federal administrative proceedings.¹³⁶ The PTAB additionally refused to follow the example of other agencies that have chosen to recognize tribal sovereign immunity in adjudications,¹³⁷ and noting that tribal immunity does not always follow the same contours of state immunity.¹³⁸ The Board further noted that its own precedent "cautions against the application of non-statutory defenses in *inter partes* review proceedings."¹³⁹

The Board in *Mylan* then considered the nature of IPR proceedings to determine whether tribal immunity should apply. First, the Board asserted that IPR proceedings were not just a forum for dispute resolutions, but were directed towards the patent and its validity.¹⁴⁰ Furthermore, the PTAB asserted that a patent owner is not required to participate in an IPR proceeding, and the PTAB is able to make determinations on the validity of the patent regardless of if the patent owner chooses to participate.¹⁴¹ The Board also found that IPR proceedings were not the type of suit that Native American tribes would enjoy immunity from because the Board does not

¹³² *Quileute Indian Tribe*, 18 F.3d at 1460.

¹³³ *Mylan Pharms. Inc. v. Saint Regis Mohawk Tribe*, No. IPR2016-00127, 2018 WL 1100950, at *5 (P.T.A.B. Feb. 23, 2018) (per curiam).

¹³⁴ Decision of Inst. of *Inter Partes* Review, *Mylan Pharms. Inc. v. Allergan, Inc.*, IPR2016-01127 (P.T.A.B. Dec. 8, 2016).

¹³⁵ Patent Owner's Motion to Dismiss for Lack of Jurisdiction Based on Tribal Sovereign Immunity, *Mylan Pharms. Inc. v. Allergan, Inc.*, IPR2016-01127 (P.T.A.B. Sep. 22, 2017), available at <https://s3-us-west-1.amazonaws.com/ptab-filings%2FIPR2016-01127%2F78>.

¹³⁶ *Mylan*, 2018 WL 1100950, at *3.

¹³⁷ *Id.*; see, e.g., *Kanj v. Viejas Band of Kumeyaay Indians*, No. 06-074, 2007 WL 1266963, at *2-3 (Dep't of Labor Adm. Rev. Bd. Apr. 27 2007) (holding that existing sovereign immunity doctrine did not preclude sovereign immunity in administrative adjudications).

¹³⁸ *Mylan*, 2018 WL 1100950, at *5 (quoting *Quileute Indian Tribe v. Babbit*, 18 F.3d 1456, 1459 (9th Cir. 1994)).

¹³⁹ *Id.* at *4.

¹⁴⁰ *Id.* at *4, *6.

¹⁴¹ *Id.* at *6.

adjudicate claims in which any relief may be sought from the tribe.¹⁴² The PTAB is only able to hold a patent invalid and cancel it, but it is not able to restrain a patent holder from acting or compel monetary damages, both of which could be available remedies in a federal court proceeding.¹⁴³

The Federal Circuit heard the same case on appeal from the PTAB, affirming the decision.¹⁴⁴ However, unlike the PTAB, the Federal Circuit did not consider whether or not *Federal Maritime Commission* ought to apply to tribal immunity in administrative adjudications; rather the Federal Circuit applied *Federal Maritime Commission*, merely stating that while tribal immunity and state immunity were not the same, the case was nonetheless instructive for their analysis.¹⁴⁵ The Federal Circuit then affirmed the PTAB's decision by finding that IPRs were not sufficiently similar to civil litigation due to the PTO Director's discretion at the outset of IPR proceedings, the ability of the PTO to continue proceedings without the parties, and the fact that the Federal Rules of Civil Procedure do not apply in IPR proceedings.¹⁴⁶

C. The PTAB's Inconsistent Reasoning

In its decision in *Mylan*, the PTAB directly contradicts its own prior reasoning and assertions from *Covidien*, despite the two cases being decided less than a year apart. First, the Board changed its position regarding whether IPR proceedings were directed towards the patent or the parties between the two cases. While in *Covidien* the Board made clear that the proceedings were directed towards the parties,¹⁴⁷ in *Mylan*, the Board asserts that the proceedings are directed at the patent, intending to correct the PTO's own mistakes in granting invalid patents.¹⁴⁸ Additionally, in *Mylan*, the Board found that since IPR proceedings did not provide ordinary injunctive relief or damages, they were not the type of suit in which immunity could be asserted.¹⁴⁹ Conversely, in *Covidien*, the Board noted that sovereign immunity applied regardless of the relief sought.¹⁵⁰ Furthermore, the Board noted that its precedent warns against applying non-statutory defenses in IPR proceedings as justification for not allowing a defense of sovereign immunity in *Mylan*, while allowing state sovereign immunity as a defense in *Covidien*.¹⁵¹

¹⁴² *Id.*

¹⁴³ *Id.*

¹⁴⁴ *Saint Regis Mohawk Tribe v. Mylan Pharms. Inc.*, 896 F.3d 1322, 1325 (Fed. Cir. 2018).

¹⁴⁵ *Id.* at 1326.

¹⁴⁶ *Id.* at 1327–28.

¹⁴⁷ *See supra* text accompanying notes 116–18.

¹⁴⁸ *Mylan*, 2018 WL 1100950, at *4.

¹⁴⁹ *See supra* text accompanying notes 142–43.

¹⁵⁰ *See supra* text accompanying note 119.

¹⁵¹ *See Mylan*, 2018 WL 1100950, at *4 (“Board precedent cautions against the application of non-statutory defenses in *inter partes* review proceedings.” (citing *Athena Automation Ltd. v. Husky*

The PTAB attempts to explain these differences by asserting that patents are governed by a statute of general applicability.¹⁵² While the Supreme Court has found that general statutes apply to all persons, including Native Americans and their property interests,¹⁵³ it is unclear whether that includes only individuals or also the tribes as a whole, and the circuits are split on how they apply that law.¹⁵⁴ Furthermore, when applying patent and copyright laws, both of which are laws of general applicability stemming from the same clause of the Constitution,¹⁵⁵ the federal courts have typically allowed tribes to assert their sovereign immunity.¹⁵⁶

The Board further argues that tribal immunity and state immunity are not co-extensive.¹⁵⁷ While the Board is correct that tribal immunity is not always co-extensive with state immunity,¹⁵⁸ in the context of patents, tribes have been able to assert their immunity just as states are able to assert their immunity. Beyond just patents, the Supreme Court's precedent contains analogs between state and tribal sovereign immunity that suggest *Federal*

Injection Molding Sys. Ltd., No. IPR2013-00290, 2013 WL 8595976, at *6-7 (P.T.A.B. Oct. 25, 2013))). The PTAB argues that unlike the statute creating International Trade Commission patent proceedings, the statute creating IPR proceedings does not explicitly allow all legal and equitable defenses. *Id.*

¹⁵² *Id.*

¹⁵³ See *Fed. Power Comm'n v. Tuscarora Indian Nation*, 362 U.S. 99, 116 (1960) (“[I]t is now well settled by many decisions of this Court that a general statute in terms applying to all persons includes Indians and their property interests.”). In *Tuscarora Indian Nation*, the Court determined that the Federal Power Act applied to Indian nations because it specifically included “tribal lands embraced within Indian reservations.” *Id.* at 118 (citation omitted). However, the patent statute, while it includes states in its definition of “whoever,” does not explicitly include tribes. See 35 U.S.C. § 271(h) (2012).

¹⁵⁴ See Eagle H. Robinson, Comment, *Infringing Sovereignty: Should Federal Courts Protect Patents and Copyrights from Tribal Infringement?*, 32 AM. INDIAN L. REV. 233, 242, 244 (2007) (“It is thus difficult to argue that the Court [in *Tuscarora*] did not intend the language to implicate the coffers of tribes as well as individuals.”).

¹⁵⁵ Copyright and patent law are grounded in U.S. CONST. art. I, § 8, cl. 8.

¹⁵⁶ See *Basset v. Mashantucket Pequot Tribe*, 204 F.3d 343, 357 (2d Cir. 2000) (holding that a tribe was immune from a suit asserting copyright infringement); *Home Bingo Network v. Multimedia Games, Inc.*, No. 1:05-CV-0608, 2005 WL 2098056, at *1-2 (N.D.N.Y. Aug. 30, 2005) (granting a motion to dismiss on the grounds that the defendant tribe was immune from a patent infringement action). *But see* Robinson, *supra* note 154, at 248 (criticizing federal courts for allowing tribal immunity for patent and copyright cases despite the fact that Congress “created a system of intellectual property rights and protections and has made clear through several *clarification* acts that it is to apply uniformly to all.”).

¹⁵⁷ See *Mylan*, WL 1100950, at *4 (P.T.A.B. Feb. 23, 2018) (per curiam) (citing *Kiowa Tribe of Okla. v. Mfg. Techs., Inc.*, 523 U.S. 751, 756 (1998)) (recognizing precedent finding Indian tribes’ immunity to be nonconcurrent from the States’).

¹⁵⁸ See *Kiowa*, 523 U.S. 751, 756 (1998) (“[T]he immunity possessed by Indian Tribes is not coextensive with that of the States.”); *Three Affiliated Tribes of Fort Berthold Reservation v. Wold Eng’g*, 476 U.S. 877, 890 (1986) (“[B]ecause of the peculiar ‘quasi-sovereign’ status of the Indian tribes, the Tribe’s immunity is not congruent with that which the Federal Government, or the States, enjoy.” (citing *United States v. U.S. Fid. & Guar. Co.*, 309 U.S. 506, 513 (1940))).

Maritime Commission should be extended to allow tribal immunity in administrative adjudications. The Court in *Federal Maritime Commission* examines the nature of the states' sovereign immunity, concluding that the states ratified the Constitution "with their sovereignty intact."¹⁵⁹ The Court's reasoning in *Blatchford* suggests that the same might be said of tribal sovereignty, as the Court noted that the tribes could not have surrendered their sovereignty in a convention that they were not even parties to.¹⁶⁰

Next, the *Federal Maritime Commission* Court notes that the Eleventh Amendment does not define the full scope of state sovereign immunity, and therefore concludes that the full scope of state immunity is not described in the Constitution.¹⁶¹ The consequence of this is that the Court is willing to find immunity in instances that could not have been imagined or anticipated by the Framers of the Constitution and the Eleventh Amendment, including the administrative state.¹⁶² Therefore, the Court turns to the question of whether administrative proceedings are the type that the Framers would have thought the states would be immune to.¹⁶³ The Court has similarly declined to define the full scope of tribal sovereign immunity, even refusing to limit immunity to activities on Indian reservations.¹⁶⁴ The Court, rather, maintains that as a matter of federal law, "an Indian tribe is subject to suit only where Congress has authorized the suit or the tribe has waived its immunity."¹⁶⁵ Much like how the *Federal Maritime Commission* Court was faced with the question of whether administrative proceedings are the type of proceeding that the Framers imagined states would have immunity from,¹⁶⁶ the question here is whether an administrative proceeding is a suit. A suit is defined as "[a]ny proceeding by a party or parties against another in a court of law."¹⁶⁷ Further, a court of law is considered any judicial tribunal administering laws, and is not limited to just an Article III court.¹⁶⁸ Given this understanding of suit, the term could encompass tribunals and adjudications of administrative agencies.

¹⁵⁹ *Fed. Mar. Comm'n v. S.C. State Ports Auth.*, 535 U.S. 743, 751 (2002) (internal quotation marks and citation omitted).

¹⁶⁰ *Blatchford v. Native Vill. of Noatak*, 501 U.S. 775, 782 (1991).

¹⁶¹ *Fed. Mar. Comm'n*, 535 U.S. at 753.

¹⁶² *Id.* at 754.

¹⁶³ *Id.* at 755.

¹⁶⁴ *Kiowa Tribe of Okla. v. Mfg. Techs., Inc.*, 523 U.S. 751, 754–55 (1998).

¹⁶⁵ *Id.* at 754.

¹⁶⁶ *Fed. Mar. Comm'n*, 535 U.S. at 756.

¹⁶⁷ *Suit*, BLACK'S LAW DICTIONARY (10th ed. 2014) ("[S]uit refers to an ongoing dispute at any stage, from the initial filing to the ultimate resolution. *Lawsuit* more clearly implies courtroom proceedings before a judge as opposed to a dispute before some other type of tribunal." (citing BRYAN A. GARNER, GARNER'S DICTIONARY OF LEGAL USAGE 862–63 (3d ed. 2011))).

¹⁶⁸ *Court of law*, BLACK'S LAW DICTIONARY (10th ed. 2014).

Finally, the *Federal Maritime Commission* Court considered *Seminole Tribe* and its holding that Congress cannot use its Article I power to abrogate state sovereign immunity in Article III courts.¹⁶⁹ Extending its *Seminole Tribe* holding, the Court concluded that Congress may not use its Article I powers to create non-Article III tribunals that closely resemble federal courts where state sovereign immunity does not apply.¹⁷⁰ In tribal immunity doctrine, the same limits are not placed on Congressional abrogation of immunity. As a result, the Court would likely allow Congress to abrogate tribal sovereign immunity in an administrative proceeding. However, that abrogation would have to be explicit and clear, as the law requires for any abrogation of tribal sovereign immunity.¹⁷¹

The Federal Circuit could potentially also engage in inconsistent reasoning based on its decision in *Saint Regis Mohawk Tribe v. Mylan Pharmaceuticals, Inc.* The Federal Circuit in that case noted that its opinion should be read narrowly as only deciding whether tribal immunity should apply to IPR proceedings.¹⁷² However, the opinion uses the doctrine established in *Federal Maritime Commission*, state sovereign immunity doctrine, to decide the case.¹⁷³ Since the Federal Circuit essentially imported state immunity doctrine into tribal immunity, and ultimately decided tribal immunity should not apply, the court has set itself up to find that state immunity should not apply in IPR proceedings either. Should the Federal Circuit in the future find that state immunity does apply, the Federal Circuit would, like the PTO, be using reasoning that was contradictory to and inconsistent with its prior precedents.

IV. POLICY UNDERPINNINGS OF TRIBAL IMMUNITY IN IPRs AND OTHER ADMINISTRATIVE ADJUDICATIONS

While the Board's reasoning in *Mylan* was inconsistent with both its prior decisions in state immunity cases and with federal court decisions in tribal immunity cases, there are clear policy rationales for why the Board determined the tribe should not be allowed to assert its immunity. *Mylan* presents facts that are particularly troublesome because they demonstrate a pharmaceutical company's attempt to circumvent the patent system.

¹⁶⁹ *Fed. Mar. Comm'n*, 535 U.S. at 761.

¹⁷⁰ *Id.*

¹⁷¹ Congress's attempt to abrogate state sovereign immunity in the Patent Remedy Act did not also attempt to abrogate tribal sovereign immunity, though it is possible that Congress could take such action in the future. For example, a bill was introduced in the Senate to abrogate tribal immunity in IPR proceedings. S. 1948, 115th Cong. (2017).

¹⁷² *Saint Regis Mohawk Tribe v. Mylan Pharms. Inc.*, 896 F.3d 1322, 1329 (Fed. Cir. 2018).

¹⁷³ *See id.* at 1326 ("Although the precise contours of tribal sovereign immunity differ from those of state sovereign immunity, the *FMC* analysis is instructive.").

Allergan, the original patent holder in *Mylan* and in the Eastern District of Texas's *Allergan* case, sold its patent to the Saint Regis Mohawk tribe just after the hearing at the district court and just before the IPR hearing was to take place.¹⁷⁴ As Judge Bryson noted in his opinion in *Allergan*, "Allergan purports to have sold the patents to the Tribe, but in reality it has paid the tribe to allow Allergan to purchase—or perhaps more precisely, to rent—the Tribe's sovereign immunity in order to defeat the pending IPR proceedings in the PTO."¹⁷⁵ Judge Bryson expressed serious concern over the legitimacy of that tactic, as have other commentators.¹⁷⁶ And they are right to do so. Allergan's assignment of the patents is structured such that the Tribe paid nothing to take ownership of the patents, and instead is being paid millions of dollars to buy the patents and millions more in annual royalties from licensing the patents back to Allergan.¹⁷⁷ The deal essentially looks, as Judge Bryson says, as if Allergan is merely renting the tribe's immunity to avoid invalidation of their patents.¹⁷⁸

It is also possible that Allergan's case might be considered a broader cautionary tale. Allergan is the most recently publicized example where a private entity has attempted to avoid its legal obligations by effectively borrowing a tribe's sovereign immunity. But there are likely other instances where a party in a suit or administrative adjudication might seek to transfer assets to a tribe or otherwise utilize a tribe's immunity to avoid liability and legal obligations. Tribal corporations are typically exempt from suit, and another private entity could seek to create a subsidiary that was a tribal corporation in order to take advantage sovereign immunity in any number of types of cases.¹⁷⁹

However, determining that a tribe can never assert its immunity in a patent case or IPR proceeding may be going too far. Allergan's deal with the Saint Regis Mohawk Tribe has provided one example where a tribe

¹⁷⁴ *Allergan, Inc. v. Teva Pharms. USA, Inc.*, No. 2:15-cv-1445-WCB, 2017 WL 4619790, at *1 (E.D. Tex. Oct. 16, 2017).

¹⁷⁵ *Id.* at *2.

¹⁷⁶ *Id.*; see, e.g., Dennis Crouch, *Allergan: Creating Sovereign Immunity with Tribal Pass-Through*, PATENTLY-O (Sept. 8, 2017), <https://patentlyo.com/patent/2017/09/allergan-creating-sovereign.html> (asserting that Allergan's transaction with the tribe might be considered a sham); Derek Lowe, *Allergan Pulls a Fast One*, SCIENCE TRANSLATIONAL MEDICINE: IN THE PIPELINE (Sept. 11, 2017), <http://blogs.sciencemag.org/pipeline/archives/2017/09/11/allergan-pulls-a-fast-one> (arguing that Allergan's actions seriously undermine the patent system and the framework for pharmaceutical patent litigation).

¹⁷⁷ *Allergan*, 2017 WL 4619790, at *1.

¹⁷⁸ *Id.* at *2.

¹⁷⁹ Brian L. Pierson, *The Precarious Sovereign Immunity of Tribal Business Corporations*, FED. LAW., Apr. 2015, at 58, 59 (Apr. 2015), available at http://www.fedbar.org/Resources_1/Federal-Lawyer-Magazine/2015/April/Features/The-Precarious-Sovereign-Immunity-of-Tribal-Business-Corporations.aspx?FT=.pdf.

might want to assert its immunity in a patent case, but it is not the only reason. A tribe that invents and patents a machine on its own might also want to assert its immunity, in a fashion similar to that of state universities that generate patented inventions as a result of their research. Under the PTAB's *Mylan* decision, though, such tribes are precluded from asserting that immunity.¹⁸⁰ In essence, Allergan's transfer of patents to the Mohawk Tribe has poisoned the well for any other tribes that may obtain patents in more legitimate ways. Furthermore, Judge Bryson's opinion, as well as portions of the PTAB's decision in *Mylan* suggest that it is possible to stop Allergan's attempt to prevent the invalidation of its patents without the court having to even decide the question of whether the Mohawk Tribe is able to assert its sovereign immunity.¹⁸¹ The district court found that regardless of whether the Tribe asserted its immunity, the case could continue because the Tribe was not a required party and because the Tribe's predecessor in interest sought affirmative relief.¹⁸² Likewise, in addition to considering the applicability of tribal immunity, the PTAB also determined that Allergan was the true owner of the patents, so the IPR could proceed without the Tribe.¹⁸³ Thus, courts and the PTO (and likely other administrative agencies, too) are able to discourage Allergan's attempt to circumvent invalidation, even without determining that the tribe was unable to assert its immunity in patent and IPR proceedings, leaving sovereign immunity intact for tribes that might seek to assert it in disputes over more legitimately obtained patents.

Additionally, there are reasons to believe that states and tribes should be treated equally in administrative adjudications where Congress has not abrogated tribal immunity. The Court has consistently noted the odd position of tribes as quasi-sovereign entities.¹⁸⁴ They are similar to states, but did not ratify the Constitution, so they are not part of the federalist system of the United States.¹⁸⁵ They are foreign entities that can make treaties with

¹⁸⁰ *Mylan Pharms. Inc. v. Saint Regis Mohawk Tribe*, No. IPR2016-00127, 2018 WL 1100950, at *4 (P.T.A.B. Feb. 23, 2018) (per curiam).

¹⁸¹ *Allergan*, 2017 WL 4619790, at *4 (E.D. Tex. Oct. 16, 2017); *Mylan*, 2018 WL 1100950, at *7.

¹⁸² *Allergan*, 2017 WL 4619790, at *4.

¹⁸³ *Mylan*, 2018 WL 1100950, at *7. The PTAB relied on Federal Circuit precedent that states that a party granted all substantial rights under the patent is considered the owner, no matter how the transaction is characterized. *Id.* (quoting *Speedplay, Inc. v. Bebop, Inc.*, 211 F.3d 1245, 1250 (Fed. Cir. 2000)). As the sole licensee of the patent, Allergan may assert all rights under the patent, and thus may be considered the owner. *Id.* at *8.

¹⁸⁴ *See, e.g.*, *Santa Clara Pueblo v. Martinez*, 436 U.S. 49, 71 (1978) (“[W]e have . . . recognized that the tribes remain quasi-sovereign nations, which by government structure, culture, and source of sovereignty are in many ways foreign to the constitutional institutions of the Federal and State Governments.”).

¹⁸⁵ *Blatchford v. Native Vill. of Noatak*, 501 U.S. 775, 782 (1991) (“We have repeatedly held that Indian tribes enjoy immunity against suits by States as it would be absurd to suggest that the tribes surrendered immunity in a convention to which they were not even parties.” (internal citation omitted) (citing *Okla. Tax Com'n v. Citizen Band Potawatomi Indian Tribe of Okla.* 498 U.S. 505,

the United States, but they exist within the borders of the United States. They are independent entities, they rely on the United States for protection and other benefits and Congress can abrogate their rights at any time. However, regardless of this odd, quasi-sovereign state that tribes exist in, the Court has been clear that tribes are able to assert their immunity unless Congress expressly abrogates that immunity.¹⁸⁶ That position is one that is very similar to the position of states. A primary difference stems from Congress's ability to abrogate immunity in more situations for tribal immunity than for state immunity, but in either form of immunity, absent express abrogation, immunity is assumed.

Beyond just the doctrinal similarities of state and tribal sovereign immunity though, tribal dignity and independence is also at stake. William Wood has suggested that the Supreme Court's decision in *Kiowa Tribe of Oklahoma v. Manufacturing Technologies* has created a trend where courts are more and more willing to disregard the Court's assertion in the same case that absent express abrogation, tribal immunity may be asserted.¹⁸⁷ The Court in that case refused to allow dignity to be a basis for upholding tribal sovereign immunity, and all but invited Congress to abrogate tribal immunity. Wood argues that courts have undermined tribal immunity, slowly chipping away at the doctrine and misunderstanding the history of the doctrine.¹⁸⁸ As the courts seek more ways to deny tribal immunity, tribes become more and more subordinate to the states and the federal government, denying them of their status as sovereign entities. Allowing immunity in administrative adjudications could be a valuable tool for maintaining their status as sovereign entities, demonstrating that the tribes are not fully subordinate to the states and federal government, despite how some federal courts have pushed the doctrine.

CONCLUSION

Tribal immunity has yet to be applied extensively in administrative adjudications, but the PTAB's recent decision in *Mylan* and the Federal Circuit's affirmance create reason to be concerned. The PTAB's decision was both inconsistent with the broader doctrine of tribal immunity and with the Board's own precedent, but the PTAB's decision was also a reaction to Allergan's attempt to avoid patent invalidation at any cost. In its effort to curb Allergan's circumvention of IPR proceedings, the PTAB declared that tribal immunity should not apply in IPR proceedings. However, in order to

509 (1991)).

¹⁸⁶ *Kiowa Tribe of Okla. v. Mfg. Techs., Inc.*, 523 U.S. 751, 754 (1998) (“As a matter of federal law, an Indian tribe is subject to suit only where Congress has authorized the suit . . .”).

¹⁸⁷ Wood, *supra* note 47, at 1606–07.

¹⁸⁸ *Id.* at 1673.

be more consistent with tribal immunity doctrine and with the closely related doctrine of state immunity, tribal immunity should apply in administrative adjudications, including IPR proceedings. The concerns of the PTAB that an entity like Allergan might be trying to circumvent the IPR proceeding by asserting tribal immunity may be dealt with in other ways, such as examining the nature of the parties' relationship, examining whether the tribe really has an interest in the case, and in the case of patents specifically, questioning which parties are able to assert the interest at stake. Tribal immunity, much like state immunity, should apply in administrative adjudications under *Federal Maritime Commission*. Not only would this put tribes on equal footing with states, but it also recognizes that without express abrogation by Congress, tribal immunity doctrine requires that tribes be able to assert their immunity in such proceedings.