

SUPREME COURT OF FLORIDA

JACOBS WIND ELECTRIC CO., INC.:
and PAUL R. JACOBS,

Petitioners,

v.

Case No. 80,247

FLORIDA DEPARTMENT OF
TRANSPORTATION,

Respondent.

PETITIONERS' BRIEF

On Appeal From the District Court of Appeal,
Second District of Florida

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STATEMENT OF THE FACTS

Jacobs is the owner of a tidal flow system which is designed to prevent the stagnation of water and the accumulation of debris in waterways through the use of a one-way tidal gate denoted as a Tide Pump. (Amended Complaint, ¶¶ 5-7). Jacobs patented the system, installed working applications in Florida, and thereafter advertised it. (Amended Complaint, ¶ 9). Jacobs presented oral and written information on the flushing system to the then relevant State of Florida permitting agencies, including the Trustees of the Internal Improvement Fund, the Department of Natural Resources, and the Tallahassee office and several regional offices of the Department of Pollution Control.^{1/}

Although the system was Jacobs' trade secret, Jacobs informed the State of Florida and other governmental bodies and agencies about his system because of their regulatory oversight and control functions and because Jacobs had a reasonable investment-backed expectation that the patent laws would protect his right to the effective use of or

^{1/} Although not alleged in the Amended Complaint, Jacobs has evidence, which, if this case proceeds to discovery, establishes that, because of the evolving state regulation of canals and tidal zone improvements in the early 1970s, Jacobs presented written (and some oral) information on the system to the Governor of Florida, President of the Florida Senate, Chairman of the Florida Senate Transportation Committee and other leaders of the Natural Resources and Transportation oversight committees of the Florida House and Senate, as well as county governments, including Hillsborough County.

licensing of the system in this period prior to 1985.
(Amended Complaint, ¶ 10).

In 1982, the State of Florida, by the Department of Transportation ("DOT"), installed a tidal flow system like Jacobs' on the Courtney Campbell Causeway. (Amended Complaint, ¶ 11). Because of his disclosures to state and county agencies, public advertising and direct solicitation of customers Jacobs had reason to believe that the DOT used Jacobs' information in an intergovernmental test and verification of Jacobs' system and, thereafter, installed and used an unlicensed copy of Jacobs' system on the Courtney Campbell Causeway. (Amended Complaint, ¶ 14).

As soon as Jacobs learned of DOT's use of his system, Jacobs demanded an after-the-fact license agreement and royalty payment from DOT. (Amended Complaint, ¶ 15). After substantial, but fruitless, attempts to negotiate with DOT, Jacobs filed a patent infringement suit against DOT in the United States District Court for the Middle District of Florida. (Amended Complaint, ¶ 15). The suit was dismissed on the ground that DOT was immune from suit in the federal courts under the Eleventh Amendment to the United States Constitution. (Amended Complaint, ¶ 15). Jacobs appealed that decision to the Federal Circuit Court of Appeals, which has jurisdiction over all patent appeals and which is junior only to the United States Supreme Court with regard to interpretation of the patent laws. (Memorandum in

Opposition to Petition for Writ of Prohibition, p. 2). The Federal Court affirmed the district court's dismissal, noting that Jacobs could assert his claims in state court. (Memorandum in Opposition to Petition for Writ of Prohibition, pp. 2-3).

STATEMENT OF THE CASE

On March 19, 1991, Jacobs filed suit against DOT in the Circuit Court for Hillsborough County. DOT then filed a Motion to Dismiss and Jacobs filed an Amended Complaint. DOT then filed a Motion to Dismiss citing seven grounds for dismissal, including failure to state claims under Florida law. On September 17, 1991, the Circuit Court heard argument on the motion and denied it in its entirety. The Circuit Court's holding that Jacobs' claims are sufficient to allege causes of action under Florida law is not under review here. DOT then filed a motion to dismiss for lack of subject matter jurisdiction. On October 24, 1991, the Circuit Court again heard argument and denied the motion. DOT then filed its Petition for Writ of Prohibition with the Second District Court of Appeal. On July 10, 1992, the Second District granted the DOT's Petition, holding that the Circuit Court lacked jurisdiction over Jacobs' claims and directing the Circuit Court to dismiss Jacobs' complaint. The Second District also certified to this Court as a question of great public importance whether there is state court jurisdiction under the circumstances of this case.

SUMMARY OF ARGUMENT

Both the Florida and Federal courts recognize that inventors and authors have state-recognized and protected property interests in their inventions and materials. Bert Lane Company v. International Industries, 84 So.2d 5 (Fla. 1955); Koratron Company, Inc. v. Deering Milliken, Inc., 418 F.2d 1314 (9th Cir. 1969), cert. denied, 398 U.S. 909 (1970); Korman v. Iglesias, 736 F.Supp. 261 (S.D. Fla. 1990); CBS, Inc. v. Garrod, 622 F.Supp. 532 (M.D. Fla. 1985), affirmed, 803 F.2d 1183 (11th Cir. 1986). Where, as here, an inventor does not have a remedy in federal court against a state for patent infringement, the inventor may sue the state in state court for conversion and an unconstitutional taking of his property. Jacobs Wind Electric Co. v. Florida Department of Transportation, 919 F.2d 726 (Fed. Cir. 1990); Chew v. State of California, 893 F.2d 331 (Fed. Cir. 1990), cert. denied, 111 S.Ct. 44 (1990). See also, Lane v. First National Bank of Boston, 871 F.2d 166 (1st Cir. 1989); Iglesias, 736 F.Supp. 261.

The fact that a defendant, such as the DOT here, raises defenses of patent invalidity and non-infringement (i.e., the defendant's system is not covered by the patent) does not mean that the case "arises under" the patent laws. Lear v. Adkins, 395 U.S. 653 (1969); Jacobs, 919 F.2d 726; American Sterilizer Co. v. Sybron Corp., 526 F.2d 542 (3d

Cir. 1975); MGA, Inc. v. LaSalle Machine Tool, Inc., 384
N.W.2d 159 (Mich. Ct. App. 1986).

ARGUMENT

Contrary to the Second District's holding, this case does not arise under the patent laws^{2/} and, as a result, the courts of the State of Florida have the right to compensate Jacobs for the state's misappropriation of his property.

1. Jacobs' Complaint States Claims Under Florida Law.

Jacobs' complaint alleges a conversion of his property pursuant to Florida law and an unconstitutional taking of his property under the Florida Constitution. These claims are state law claims; they do not arise under the patent laws. For example, in Bert Lane Company v. International Industries, 84 So.2d 5 (Fla. 1955), this Court held that an inventor's lawsuit against former employees for unfair competition based on the employees' unauthorized use of plaintiff's patented designs and plans did not arise under the patent laws and could proceed in state court. The Court reversed the lower court's dismissal of the complaint, recognizing that:

The patentee may elect to waive the right to sue in federal court for infringement of his patent and may, instead, proceed in a state court to enforce some right protected by and enforceable under general common-law and equitable principles applicable in such state.

Id. at 7.

^{2/} 28 U.S.C. § 1338(a) grants the federal courts exclusive jurisdiction of "any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights, and trademarks."

Similarly, in Key Pharmaceuticals, Inc. v. Robinson, 334 So.2d 137 (Fla. 3d DCA 1976), the plaintiff held a patent on a dental cleaning device and entered into an agreement with the defendants under which the plaintiff agreed to assign his interest in the cleaning tool in exchange for a percentage of the amount defendants sold. Subsequently, the interest was sold to Key Pharmaceuticals, which eventually stopped paying royalties to the plaintiff, who then filed suit seeking recovery for past due royalties and for fraud. The fraud claim alleged that the defendants developed devices utilizing the same concept as plaintiff's tool and received patents thereon, without paying plaintiff royalties.

The defendants moved to dismiss the action on the ground that the circuit court lacked jurisdiction over claims arising under the patent laws. The circuit court denied the motion to dismiss and the Third District affirmed, explaining that:

A suit arises under the law that creates the cause of action and the plaintiff's opening pleading is determinative. If a plaintiff founds his suit directly on a breach of some right created by the patent laws, he (or she) makes a case arising under those laws and only a federal court has jurisdiction; however, if he (or she) founds his suit on some right vested in him by the common law or by general equity jurisdiction, he makes a case arising under state law and only a state court has jurisdiction.

We conclude that this cause is within the jurisdiction of the state

court in that plaintiff pursuant to the terms of the assignment agreement with the defendants is seeking to enforce his right to past due payment of royalties and to determine whether or not the similar devices patented by the defendants would defeat his continuing right to royalties. These rights are conferred by state law and cannot be the basis for exclusive federal jurisdiction.

Id. at 138-39 [citations omitted].

Moreover, in Koratron Company, Inc. v. Deering Milliken, Inc., 418 F.2d 1314, 1316 (9th Cir. 1969), cert. denied, 398 U.S. 909 (1970), the Ninth Circuit held that claims for interference with contract and with prospective economic advantage did not arise under the patent laws even though the plaintiff "would have to prove the basic elements of a contributory infringement claim in order to succeed in its tort claim." The court noted that:

Koratron [the plaintiff] intended to plead its case as a common law action. It strained out all patent infringement language from its pleading. It did not seek treble damages and attorneys' fees available in a patent infringement suit; it sought compensatory and lump sum punitive damages appropriate to a common law claim. The complaint, as amended, stated a cause of action for common law relief.

Id. at 1317. See also Heath v. Zenkich, 437 N.E.2d 675 (Ill. Ct. App. 1982) (Plaintiff's state law claims to determine his ownership interest in two patented inventions did not arise under the patent laws).

As in Bert Lane, Key, and Koratron, Jacobs' claims state causes of action under state law, and not the patent laws. Jacobs' claims for conversion of his property and an unlawful taking are common law claims founded on rights granted by Florida law. To state a claim for conversion, a plaintiff must allege that the defendant asserted "a right of dominion" over the plaintiff's property "which is inconsistent with the right of the owner and deprives the owner of the right of possession to which the owner is entitled." City of Cars, Inc. v. Simms, 526 So.2d 119 (Fla. 5th DCA 1988). Jacobs has alleged conversion of his property by DOT. Jacobs has alleged a property interest in his system (such as a right to exclusive use, or his right to licensing fees for use by others) and that the DOT used Jacobs' property without his consent and without payment. As the United States Supreme Court has noted, with regard to trade secrets:

The right to exclude others is generally one of the most essential sticks in the bundle of rights that are commonly characterized as property. With respect to a trade secret, the right to exclude others is central to the very definition of the property interest.

Ruckelshaus v. Monsanto Co., 467 U.S. 986, 1011, 104 S.Ct. 2862 (1984). The Circuit Court denied DOT's motion to dismiss for failure to state a claim, holding that Jacobs stated a claim for conversion.

Similarly, to allege a "taking" claim pursuant to Article I, Section 9 of the Florida Constitution, a plaintiff must allege that the state took plaintiff's property without due process of law and without compensation.^{3/} Florida Cannery Ass'n v. State Dept. of Citrus, 371 So.2d 503, 513 (2d Cir. 1979), affirmed, 406 So.2d 1079 (1981). Jacobs alleged a property interest in the system (such as a right to exclusive use or payment for use by others) and that DOT took his property for public use. Again, the Circuit Court denied DOT's motion to dismiss for failure to state a claim, holding that Jacobs stated a claim for an unconstitutional taking. That holding is not on appeal before this Court. These claims are not patent infringement claims and the mere fact that patent invalidity has been raised as a defense in this case does not mean that the claims "arise under" the patent laws. Lear v. Adkins, 395 U.S. 653 (1969).

2. Jacobs Has a Property Interest Protected By Florida Law.

Jacobs' claims are founded upon his property interest in his tidal flow system and in licensing fees for use of

^{3/} As the United States Supreme Court noted recently, a state "may not transform private property into public property without compensation." Lucas v. South Carolina Coastal Council, 60 USLW 4844, 4849 (1992). "Both the 14th Amendment to the United States Constitution and Article I, Section 9 of the Florida Constitution prohibit the taking of property without due process of law . . . [and] impos[e] the same standard of review on such actions." Florida Cannery, 371 So.2d at 513.

that system. Jacobs' system is the result of Jacobs' investment of time, skill and money. Under Florida law, Jacobs' property is a trade secret or an intangible property right. In any event, Jacobs has a protectable interest in the system. Florida law defines a trade secret as:

information, including a formula, pattern, compilation, program, device, method, technique, or process that:

(a) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

(b) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Fla. Stat. § 688.002(4).^{4/}

Trade secret cases decided prior to the enactment of Fla. Stat. § 688 et. seq. demonstrate that the statute merely codifies pre-existing common law. Braman Motors,

^{4/} Jacobs does not have a claim under this statute because the statute took effect on October 1, 1988, and does not apply to misappropriation occurring prior to said date. A note to the statute provides that "[W]ith respect to a continuing misappropriation that began prior to said date, this act also does not apply to the continuing misappropriation that occurs after said date." Fla. Stat. § 688.001, Historical and Statutory Notes. Since the DOT began to misappropriate Jacobs' system before October 1, 1988, Jacobs filed a common law conversion claim rather than a claim based on this statute. Although Jacobs does not have a claim pursuant to the statute, the statute is instructive as to the elements which must be proven to establish a protectable trade secret.

Inc. v. Ward, 479 So.2d 225 (Fla. 3d DCA 1985); Dotolo v. Schouten, 426 So.2d 1013 (Fla. 2d DCA 1983), pet. review denied, 434 So.2d 888 (Fla. 1983); Unistar Corp. v. Child, 415 So.2d 733 (Fla. 3d DCA 1982); Erik Electric Co., Inc. v. Elliot, 375 So.2d 1136 (Fla. 3d DCA 1979).

Jacobs' system is a method of improving water quality in tidal bodies of water. Jacobs' system has independent economic value, could not have been used by others, without his permission, at the time of its misappropriation, and was the subject of reasonable efforts to maintain its secrecy. Information about Jacobs' system was made available to the State of Florida and the public because the system was patented and Jacobs had a reasonable investment-backed expectation that such disclosure would not affect his property rights. Ruckelshaus v. Monsanto Co., 467 U.S. 986, 104 S.Ct. 2862, 2877 (1984), (Monsanto had a "reasonable investment-backed expectation with respect to its control over the use and dissemination of the data it had submitted" to the EPA and that the EPA's disclosure of Monsanto's trade secrets constituted an unconstitutional taking). Jacobs' reasonable disclosure does not alter the fact that the system is a trade secret.

In addition, Florida law recognizes an intangible property interest in products which result from the owner's "professional investment of time, skill, and money" in the products. CBS, Inc. v. Garrod, 622 F.Supp. 532 (M.D. Fla.

1985), affirmed, 803 F.2d 1183 (11th Cir. 1986). See also Korman v. Iglesias, 736 F.Supp. 261 (S.D. Fla. 1990). For example, in CBS, the District Court for the Middle District of Florida held that CBS had a protectable property interest in sound recordings under Florida law and that such a property interest was protected by Florida law against unfair competition, misappropriation and larceny. Indeed, the court granted CBS's motion for summary judgment on its state law claims for unfair competition, conversion, and statutory theft. Similarly, in Iglesias, the District Court for the Southern District of Florida held that a co-author of a copyrighted song could sue under Florida law for statutory theft and conversion.

Clearly, Florida law recognizes and protects intangible property interests, such as trade secrets, which are the result of the owner's investment of time, skill and money. As a result, Jacobs has an intangible property interest in his tidal flow system which is protected by Florida law.

3. The U.S. Supreme Court And Two Federal Circuit Courts Have Recognized That State Courts Have Jurisdiction Over These Types of Claims.

The United States Supreme Court and two Federal Circuit Courts have considered the impact of the Eleventh Amendment on claims which must be asserted in federal courts -- Jones Act, patent law, and copyright claims -- and have consistently noted that a state's sovereign immunity from

suit in federal court does not foreclose suits in state court alleging state law causes of action.

In Welch v. Texas Dept. of Highways & Public Transp., 483 U.S. 468, 107 S Ct. 2941 (1987), the Supreme Court held that the Eleventh Amendment barred a citizen from suing her own state in federal court under the Jones Act, but then noted that this holding did not deprive the plaintiff of a remedy because "the States may provide relief by waiving their immunity from suit in state court on state law claims." 107 S.Ct. 2953-54. In particular, the Court noted, the plaintiff "may file a Worker's Compensation claim against the State under the Texas Tort Claims Act." Id. at 2954 n.19. Here, the State of Florida has waived sovereign immunity for tort claims filed in state court and Jacobs' conversion claim is filed in accordance with that waiver.

And, in Jacobs Wind Electric Co. v. Florida Department of Transportation, 919 F.2d 726 (Fed. Cir. 1990), which involved these parties, the Federal Circuit Court of Appeals held that Jacobs' claim for patent infringement could not be brought in a federal district court because the Eleventh Amendment deprived the federal courts of jurisdiction over DOT as a party. The Federal Circuit then concluded that Jacobs' claims should be brought in state court:

In any event, Jacobs' contentions that it is left without any remedy in Florida and that a Florida court cannot pass on the validity of a patent are simply wrong.

Jacobs also may assert a "takings" claim against the state under the Fifth and Fourteenth Amendments [and] . . . although a state court is without power to invalidate any issued patent, there is no limitation on the ability of a state court to decide the question of validity when properly raised in a state court proceeding.

. . .

What a patentee may arguably "lose" through being limited to a "takings" claim or similar state court proceeding is not the ability to obtain any remedy, but the benefit of provisions in the patent statute relating to remedy, for example, the provisions of 35 U.S.C. §§ 284 and 285 (1988) relating to enhanced damages and attorney fees.

Jacobs, 919 F.2d at 726, 728 n. 2. Thus, the Federal Circuit recognized that just because a court has to address the question of patent validity does not mean that the case "arises under" the patent laws for purposes of exclusive federal jurisdiction.

In Jacobs, the Federal Circuit Court of Appeals relied on Lear v. Adkins, 395 U.S. 653 (1969), in support of its conclusion that this matter could be resolved in state court. In Lear, the United States Supreme Court held that a patent licensee was not estopped by virtue of the license agreement from defending the action on the theory that the patent was not valid. The Court remanded the case to the California Supreme Court for a determination of patent validity.

In Chew v. State of California, 893 F.2d 331 (Fed. Cir. 1990), cert. denied, 111 S.Ct. 44 (1990), the Federal Circuit noted that its decision -- that a state may not be sued for patent infringement in federal court -- "simply forecloses one avenue of recourse -- the specific relief for infringement of patent rights otherwise protected by federal statute." 893 F.2d at 336 n. 5.

As the appellate court for all patent suits, the Federal Circuit is certainly aware of the application and interpretation of 28 U.S.C. § 1338. Yet, the Federal Circuit has repeatedly noted that inventors are free to sue states in state court for related causes of action even though states are immune from suit in federal court. Moreover, the United States Supreme Court has remanded a patent licensing dispute to the California Supreme Court for a determination of patent validity. These cases clearly demonstrate that the Florida Courts have jurisdiction over Jacobs' claims.

Additional support may be found in cases involving copyrights. In Lane v. First National Bank of Boston, 871 F.2d 166, 174 (1st Cir. 1989), for example, the First Circuit held that the state was immune from suit for copyright infringement in federal court, but that the plaintiff could sue in state court for deceit, conversion, unfair competition or an unconstitutional taking:

If Lane's version of the facts is genuine, she would likely be able to sue

Massachusetts in state court for, say, deceit, conversion, or unfair competition. Then, too, Mass. Gen. L. Ch. 79, section 10 (1969) provides that damages may be recovered from the State whenever private property is confiscated. The statutory scheme manifests a recognition that where private property is taken for public use, a constitutional right to just compensation attaches. Since a copyright is property, Lane may very well be able to sue in state court on a state-law claim for essentially the harm that she contends the Commonwealth has perpetrated.

Similarly, in Korman v. Iglesias, 736 F. Supp. 261 (S.D. Fla. 1990), the Court concluded that a civil theft claim under Florida law against a co-author was not preempted by the copyright laws because the copyright laws do not provide for claims against co-authors. Since Section 1338(a) grants federal courts exclusive jurisdiction over cases arising under either the patent laws or the copyright laws, the Lane and Iglesias cases indicate that claims for theft, misappropriation or conversion of intangible property (whether copyrighted or patented) arise under state law.

The Second District mistakenly "distinguished" these cases as "license dispute cases" which "did not require . . . a determination of the validity of the patent." (Opinion, p. 3). In fact, in Lear, as in many license dispute cases, patent validity was raised as a defense to payment. In remanding Lear to the California Supreme Court, the United States Supreme Court said:

Lear must be permitted to avoid the payment of all royalties accruing after Adkin's 1960 patent issued if Lear can prove patent invalidity.

. . .

[T]he California Supreme Court has yet to pass on the question of patent validity in that clear and unequivocal manner which is so necessary for proper adjudication in this Court.

. . .

[W]e believe that Lear must be required to address its arguments attacking the validity of the underlying patent to the California [state] courts in the first instance.

395 U.S. 674-76. Thus, the fact that a case may involve a determination of validity of the patent does not mean the case "arises under" the patent laws.

Of course, Lane, Jacobs, Chew, and Welch did not involve licensing disputes at all and they, accordingly, cannot be distinguished on that basis. All of these authorities establish that Jacobs' claims for conversion and an unconstitutional taking do not arise under the patent laws and are properly brought in state court.

4. The Case Relied on By The Second District Is Distinguishable.

The case relied upon by the Second District, Schachel v. Closet Concepts, Inc., 405 So.2d 487 (Fla. 3d DCA 1981), stands for the general rule that, where Congress has intended to preempt a field of law, a plaintiff cannot ignore its federal claim and file what is essentially a

patent infringement claim in state court. The complaint in Schachel alleged only the breach of an agreement not to infringe a patent. There were no other claims.

The important distinction between this case and the Schachel case is that Jacobs has no federal cause of action and no remedy in federal court. As the Schachel court noted, the plaintiffs there misled their complaint in federal court as a "breach of agreement" action, rather than an infringement action, and it was dismissed. 405 So.2d 488 n. 2. That is not the case here. This case is most analogous to Iglesias, 736 F.Supp. 261, in which the District Court for the Southern District of Florida held that the Copyright Act did not preempt a Florida civil theft claim by a co-author because the Copyright Act does not provide for suits against co-authors. The court held that, since there was no federal cause of action, there was no preemption:

While Congress intended to preempt the field of state law where Copyright Act applies, the Copyright Act neglected to provide for remedies between co-authors. . . . The District of Columbia, Second, and Ninth Circuits have held and Congress must have intended that co-authors may claim for an accounting or otherwise proceed under common law principles since the Copyright Act makes no mention of how co-authors should enforce their rights to royalties as against each other. In sum, the Copyright Act does not preempt plaintiff's claim for civil theft as Florida's civil theft statute does not

equate to the rights protected in the Copyright Act.

736 F.Supp. at 265.

Here, the Federal Circuit held that because the patent laws do not specifically refer to states, DOT was immune from suit in federal court under the Eleventh Amendment. While Congress clearly intended to preempt the field of state law where patent law applies, Congress failed to provide a federal cause of action where the state is an infringer. Thus, here, as in the Iglesias case, the federal law does not provide a remedy (whether against a co-author or a state) and there is no equivalency, and thus no preemption of the plaintiff's state law claims.

5. Whether There Was A Licensing Agreement Is Immaterial.

The Second District's opinion implies that the Circuit Court would have jurisdiction if the DOT had entered into a licensing agreement with Jacobs and had breached that agreement, but that since the DOT did not enter into a licensing agreement, it can use Jacobs' system -- continually and indefinitely -- without his permission and without any liability for compensation. That simply does not make sense. In license dispute lawsuits, defendants raise the same defenses DOT has raised here: the patent is invalid and the defendants' system (or product) is not infringing (i.e., covered by the license). Lear v. Adkins, 395 U.S. 653 (1969); American Sterilizer Co. v. Sybron

Corp., 526 F.2d 542 (3d Cir. 1975); MGA, Inc. v. LaSalle Machine Tool, Inc., 384 N.W.2d 159 (Mich. Ct. App. 1986).

Thus, the fact that the trial court here may have to determine patent validity and application does not mean that the court does not have jurisdiction.

Under the framework set out by the Second District, Jacobs would have a claim against DOT only if DOT had acted properly by entering into a license agreement, but, where, as here, DOT totally ignored Jacobs' rights (both before installing the system and afterwards when Jacobs sought a licensing agreement), Jacobs has no claim in any court. That ruling effectively limits Jacobs to contract -- and not tort -- claims, and there is absolutely no basis for such a limitation of his rights, particularly where, as here, Jacobs' claims are made pursuant to Constitutional guarantees and the State's waiver of sovereign immunity for tort claims.

Jacobs has alleged a property interest protected by state law and the conversion and unconstitutional taking of that property. These claims are based on Florida law and can be brought only in Florida courts. One fact is excruciatingly clear: Jacobs' property has been taken and if the Florida courts do not have jurisdiction, Jacobs has no remedy. That is contrary to the protections Florida law affords to its citizens.

CONCLUSION

Both the Florida and Federal courts recognize that inventors and authors have state-recognized and protected property interests in their inventions and materials. Bert Lane, 84 So.2d 5; Koratron, 418 F.2d 1314; Iglesias, 736 F.Supp. 261; CBS, 622 F.Supp. 532. Where, as here, an inventor does not have a remedy in federal court against a state for patent infringement, the inventor may sue the state in state court for conversion and an unconstitutional taking of his property. Jacobs, 919 F.2d 726; Chew, 893 F.2d 331. See also, Lane, 871 F.2d 166; Iglesias, 736 F.Supp. 261.

The fact that a defendant, such as the DOT here, raises defenses of patent invalidity and non-infringement (i.e., the defendant's system is not covered by the patent) does not mean that the case "arises under" the patent laws. Lear, 395 U.S. 653; Jacobs, 919 F.2d 726; LaSalle, 384 N.W.2d 159. As a result, the July 10, 1992 Order of the Second District Court of Appeal should be reversed.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail to Gregory G. Costas, Assistant General Counsel, Florida Department of Transportation, 605 Suwannee Street, Haydon Burns Building, MS-58, Tallahassee, Florida 32399-0458, this 31ST day of August, 1992.

Nancy Faggiarelli
Attorney