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Austin Roche

KIMBLE V. MARVEL ENTERTAINMENT, LLC:
ECONOMIC ARGUMENT DEFEATED;
SUPERPOWERED STARE DECISIS PREVAILS

In Kimble v. Marvel Entertainment, LLC\(^1\), the issue presented to the Supreme Court was whether it should overrule its decision in Brulotte v. Thys Co.,\(^2\) which held that a patentee cannot receive royalty payments after the term of the patent has expired.\(^3\) The Court held that under *stare decisis* it must uphold the *Brulotte* ruling.\(^4\) The Court ruled correctly by upholding a ruling on statutory interpretation that Congress had left unchanged for over half a century.\(^5\) The dissent’s inaccurate argument that the *Brulotte* ruling was actually bad policymaking is not enough to overcome the powerful force of *stare decisis*.\(^6\)

I. THE CASE

In 1990, Stephen Kimble invented a Spider-Man toy that allowed its user to spray foam string by pulling a trigger, thus imitating Spider-Man’s ability to shoot a spider’s web.\(^7\) Kimble patented the toy idea under U.S. Patent No. 5,072,856, which expired on May 25, 2010.\(^8\) Kimble met with a Marvel representative in 1990 to discuss his ideas regarding the patent.\(^9\) He contends that during this meeting, the representative told him that Marvel would compensate him if it used any of his

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5. See infra Part IV.A.
6. Id.
8. Id. at 858
9. Id.
Kimble v. Marvel Entertainment, LLC: Economic Argument Defeated

Ideas. Later, Marvel began manufacturing a similar Spider Man toy called the “Web Blaster,” which would also allow its users to spray foam string by pulling a trigger.

In 1997, Kimble brought suit against Marvel for patent infringement and breach of contract, alleging that Marvel broke its verbal agreement with him by not compensating him for using the ideas he disclosed at the 1990 meeting. The district court granted Marvel’s motion for summary judgment on the patent infringement claim, and a jury found in favor of Kimble on the contract claim. The court awarded Kimble 3.5% of past, present, and future Web Blaster net product sales in the contract case.

Kimble and Marvel agreed to settle these cases while the appeals were still pending in 2001. The terms of the Agreement included that the parties would withdraw their appeals, and that Marvel would purchase Kimble’s patent. The Purchase Agreement stated that:

The purchase price for the Patent shall be payable to the Patent Holders as follows:

a. $516,214.62 upon execution and delivery of this Agreement; and
b. 3% of “net product sales” (as such term is used in the Judgment) excluding refill royalties made after December 31, 2000. For purposes of this paragraph 3.b, “net product sales” shall be deemed to include product sales that would infringe the Patent but for the purchase and sale thereof pursuant to this Agreement as well as sales of the Web Blaster product that was the subject of the Action and to which the Judgment refers.

There was no expiration date to the Agreement, and there was no limitation to Marvel’s obligation to pay the 3% of net product sales.

In 2006, after Marvel entered a licensing agreement with Hasbro regarding the production of Marvel toys, including the Web Blaster, several disputes arose between Kimble and Marvel concerning the royalty payments. Marvel counterclaimed and

10. Id.
11. Id.
12. Id.
13. Id.
14. Id.
15. Id.
16. Id.
17. Id. at 858-59.
18. Id. at 859
19. Id. (“A number of disagreements subsequently arose between Marvel and Kimble concerning the royalty payments. These disputes revolved around the calculation of royalties for subsequent iterations of the Web Blaster that included additional functions (in addition to shooting foam string) or Web Blasters that were packaged with other role play items (such as Spider-Man masks).”)
AUSTIN ROCHE

sought a declaration that it was no longer obligated to pay Kimble the royalty payments under the Settlement Agreement because the Web Blaster never infringed on Kimble’s patent. The parties filed for summary judgment, and the United States District Court for the District of Arizona referred to the Magistrate Judge for a recommendation. The Magistrate Judge found that under Brulotte v. Thys Co., the royalty provision of the Settlement Agreement was unenforceable reasoning that “the Settlement Agreement transferred patent rights, and that it was less clear that it transferred any non-patent rights.” The district court adopted the Magistrate Judge’s Report and ruled that Marvel was not required to pay royalties under the Agreement after the patent expired on May 25th, 2010.

The Court of Appeals for the Ninth Circuit affirmed the decision, although it admitted to reluctantly applying the Brulotte ruling, which it called “counterintuitive” and “unconvincing.” Regardless, the Court conceded that Brulotte is controlling and thus the Court was bound to follow it. The United States Supreme Court granted certiorari to decide whether it should overrule Brulotte.

II. LEGAL BACKGROUND

Kimble v. Marvel Entertainment, LLC is a patent law case in which the Court’s opinion relies heavily on the principle of stare decisis to decide whether it should overrule another patent law case, Brulotte v. Thys Co. This section will provide background on patent law, stare decisis, and the Court’s ruling in Brulotte.

A. Patent Law

Under 35 U.S.C. § 154(a)(1), a patent holder is given exclusive rights to his or her invention. The relevant parts of the Patent Act are as follows:

(a) In general.--

20.  Id.
21.  Id.
23.  Kimble, 727 F.3d at 859-60.
25.  Kimble, 727 F.3d at 857.
26.  Id. at 867.
29.  See infra part II.A.
30.  See infra Part II.B.
31.  See infra Part II.C.
The Act allows a patentee to sell the patent or license it for royalty payments. However, this right is subject to a twenty-year term which begins when the patentee files the application to obtain the patent. Once this patent term expires, the patentee no longer has the exclusive right to make and use the article free from restriction. The Supreme Court ruled in *Sears, Roebuck & Co. v. Stiffel Co.* that “an article on which the patent has expired,” like an unpatentable article, “is in the public domain and may be made and sold by whoever chooses to do so.” Additionally, the Court has deemed unenforceable contract provisions that restrict the free use of unpatentable articles and articles for which the patent has expired. The Court reasoned in *Scott Paper Co. v. Marcalus Mfg. Co.* that “any attempted reservation or continuation in the patentee . . . after the patent expires, whatever the legal device employed, runs counter to the policy and purpose of the patent laws” and “would deprive . . . the consuming public of the advantage to be derived” from the free use of the article.

B. Stare Decisis

*Stare decisis,* the principle that the court will stand by its previous decisions, has been described by the Supreme Court as “a foundation stone of the rule of law, necessary to ensure that legal rules develop 'in a principled and intelligible fashion.'”

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34. *Id.*
37. *Id.*
38. *Id.*
40. *Id.*
41. *Id.* at 256; see also, e.g., *Edward Katzinger Co. v. Chicago Metallic Mfg. Co.*, 329 U.S. 394, 400–01 (1947) (ruling that *Scott Paper* applies to licensees); *Lear, Inc. v. Adkins*, 395 U.S. 653, 668–75 (1969) (refusing to enforce a contract requiring a licensee to pay royalties while contesting a patent’s validity).
Austin Roche

decisis is the preferred course because it promotes the evenhanded, predictable, and consistent development of legal principles, fosters reliance on judicial decisions, and contributes to the actual and perceived integrity of the judicial process. However, stare decisis is not an “inexorable command” or a “mechanical formula,” but rather a policy principle. The Court has reasoned that it is more important that the law be settled than for it to be settled right. An argument that the Court ruled incorrectly is not sufficient to overcome stare decisis, there must be some additional, special justification that the precedent was wrongly decided.

When the Court interprets a statute, stare decisis carries a greater force because any disagreements with the interpretation can be settled by Congress, which has the authority to create a new statute. In other words, if the Court has interpreted a statute and Congress has not taken subsequent action to change the statute, the Court assumes Congress agrees with the interpretation, which bolsters the idea that the judicial interpretation was correct. Additionally, “considerations in favor of stare decisis are at their acme in cases involving property and contract rights,” because rulings in such cases are relied upon by parties. Parties that create contracts in reliance on court rulings may have their expectations upended when a court overturns those rulings. Conversely, in the area of antitrust law, “the general presumption that legislative changes should be left to Congress has less force with respect to the Sherman Act in light of the accepted view that Congress ‘expected the courts to give shape to the statute’s broad mandate by drawing on common-law tradition.’”

For the Court to overrule a precedent, and thus override stare decisis, it needs a special justification. One such justification is an argument that the precedent’s statutory and doctrinal underpinnings have eroded. When a statutory precedent is overruled, the primary reason for the Court’s ruling is often the “intervening development of the law, through either the growth of judicial doctrine or further action taken by Congress,” or because “the later law has rendered the decision irreconcilable with competing legal doctrines or policies.” Another justification for

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44. Id. at 828 (citing Helvering v. Hallock, 309 U.S. 166, 119 (1940)).
Kimble v. Marvel Entertainment, LLC: Economic Argument Defeated

overriding stare decisis is that “a precedent may be a positive detriment to coherence and consistency in the law . . . because of inherent confusion created by an unworkable decision.”

Despite these general principles of stare decisis serving as a basic framework, the legal doctrine is “essentially indeterminate.” The Supreme Court’s characterization of stare decisis as a flexible “principle of policy,” as well as the numerous considerations that constitute the lengthy inquiry, have both served to confound this doctrine and inspire “unusually scathing dissents” from Supreme Court Justices.

One particular conflict within this doctrine is illustrated by the differences in the Court’s description of stare decisis in two particular cases: Halliburton Co. v. Erica P. John Fund, Inc. and Payne v. Tennessee. In Halliburton, the Court stated that it requires “special justification, not just an argument that the precedent was wrongly decided.” However, the Payne Court stated that “when governing decisions are unworkable or are badly reasoned, this Court has never felt constrained to follow precedent.”

The confusion lies in whether “bad reasoning” is a “special justification.” It would certainly seem that it is not so, because “if the precedent were correct on the merits,” meaning the precedent was well reasoned, “the Court would reaffirm it without regard to stare decisis.” This conflict is caused by the way courts treat stare decisis in cases of statutory interpretation differently than other cases. Halliburton was a case involving statutory interpretation, thus a “special justification” was necessary.

C. The Supreme Court’s Ruling in Brulotte

In Brulotte v. Thys Co., the Court considered whether a hop-picking machine patent owner could continue to license his machines for royalty payments after the patents on the machine had expired. Thys Company, an owner of various hop-picking patents, sold machines to several others for a flat sum and issued a license for their

62. Halliburton, 134 S.Ct. at 2407.
64. Id. at 29-30.

Journal of Business & Technology Law Proxy
use, under which there was “payable a minimum royalty of $500 for each hop-picking season or $3.33 1/3 per 200 pounds of dried hops harvested by the machine, whichever is greater.” 65 Seven patents listed in the license were incorporated into the machines, and all expired on or before 1957. 66 However, the licenses issued continued for terms beyond 1957. 67 Thys Company brought suit when the licensees refused to make further royalty payments.

The Supreme Court ruled that a patent gives exclusive rights to the patentee to make, sell, and use the article, but these rights become public property once the term has ended. 68 The Court relied on the Scott Paper reasoning that allowing a patentee to continue his monopoly after the patent term expires runs counter to the purpose of patent law and public policy. 69 The Court concluded that “a patentee’s use of a royalty agreement that projects beyond the expiration date of the patent is unlawful per se.” 70

III. THE COURT’S REASONING

In Kimble v. Marvel Entertainment, LLC the United States Supreme Court affirmed the judgment of the Court of Appeals for the Ninth Circuit, declining to overrule Brulotte. 71 The Court reasoned that the Brulotte ruling had a “superpowered form of stare decisis” because it was a statutory interpretation involving property and contract rights, and the Court was presented with no special justification for departing from this rule. 72

The Court began by describing how it has decided cases involving the limiting of the free use of patented inventions. 73 A patent typically expires twenty years from the day its application was filed for, and the Court “has carefully guarded that cut-off date” by ruling that once an article’s patent expires, it is in the public domain and may be freely made and sold. 74 The Court explained the Brulotte rule as a continuation of this trend; a contract that requires a party to pay royalties after the patent has expired extends the patentee’s monopoly on the article beyond the patent period and restricts the public domain’s free use of the article. 75 The Court stated that the Brulotte

65. Id.
66. Id. at 30.
67. Id.
68. Id.
70. Id. (citing Scott Paper Co. v. Marcalus Mfg. Co., 326 U.S. 249, 256 (1945)).
71. Id. at 32.
73. Id. at 2410.
74. Id. at 2407.
75. Id.
76. Id. at 2407-08.
Kimble v. Marvel Entertainment, LLC: Economic Argument Defeated

ruling may prevent some parties from forming the exact deals they desire, but it only bars royalties, so parties can find other ways to achieve the same ends. 77 The Court next discussed the role of stare decisis in this case. 78 The Court characterized the principle as “a foundation stone of the rule of law.” 79 The Court stated that an argument that the Court made an incorrect decision is not enough to persuade it to overturn a settled precedent; there must be a “special justification” over and above the belief that the precedent was wrongly decided. 80 Additionally, the Court continued, stare decisis holds an even greater force in a case like Brulotte when the Court interprets a statute, because such a ruling can be corrected by Congress. 81 The Court determined that Brulotte’s precedential force is further strengthened by the fact that Congress has spurned multiple opportunities to reverse it for over half a century. 82 Lastly, the Court stated that Brulotte is a contracts and property case, which are two areas of law in which “considerations favoring stare decisis are ‘at their acme’” because parties are likely to rely on rulings in these areas of law. 83 The parties disagreed whether Brulotte created any reliance (as there was no evidence presented of any such licenses existing), but the Court ruled that “even uncertainty on this score cuts in Marvel’s direction,” since there was “a reasonable possibility that parties have structured their business transactions in light of Brulotte.” 84

Once this high standard of stare decisis is established, the Court states that there does not exist a “superspecial justification” to warrant overruling Brulotte. 85 First, the statutory and doctrinal underpinnings of Brulotte have not eroded over time. 86 Scott Paper, the case on which Brulotte relied, is still good law. 87 Reversing Brulotte may threaten other decisions, because of the decision’s “close relation to a whole web of precedents,” and the Court would not like to “unsettle stable law.” 88 Next, the Court claims that Brulotte has not proved to be an unworkable case. 89 The current rule is easy to apply; the Court must only ask whether a licensing agreement provides royalties after the patent has expired. 90 This stands in contrast to the alternative rule

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77. Id. at 2408.
78. Id. at 2409.
79. Id. (quoting Michigan v. Bay Mills Indian Community, 134 S.Ct. 2024, 2036 (2014)).
80. Id. (citing Halliburton Co. v. Erica P. John Fund, Inc., 134 S.Ct. 2398, 2047 (2014)).
81. Id.
82. Id. at 2409-10.
83. Id. at 2410 (quoting State Oil Co. v. Khan, 522 U.S. 3, 10 (1997)).
84. Id.
85. Id.
86. Id.
87. Id. at 2411.
88. Id.
89. Id. (citing Patterson v. McLean Credit Union, 491 U.S. 164, 172–173,(1989) (identifying unworkability as another “traditional justification” for overruling precedent)).
90. Id.
that Kimble proposes in order to invalidate agreements that have anti-competitive consequences: antitrust law’s rule of reason.91 This rule of reason is an “elaborate inquiry” that “produces notoriously high litigation costs and unpredictable results.”92 Thus, Kimble’s proposed alternative would make the rule less workable, not more.93

The Court also addresses two more of Kimble’s justifications for overruling Brulotte.94 Kimble first claims that Brulotte assumed that post-patent royalty agreements are invariably anticompetitive, a mistaken view of the effects of such arrangements.95 Kimble notes that these agreements more often increase competition rather than inhibit it, and the Court does not see an error in this analysis.96 However, the Court has two inquires on this claim: was Brulotte actually founded on this analysis of competitive effects, and if so is this economic mistake suffice to overcome Brulotte?97 The Court said that instead of on a competitive effects analysis, Brulotte was actually founded on a bright-line rule that all patents and their benefits must end when the patent expires.98 Regardless, the Court stated that even if Brulotte were based on that economic mistake, that reason would not be enough to overcome stare decisis in this case because Congress is the correct entity to fix that misjudgment, and Kimble has not brought forth any changes in economic theory or new empirical studies that have changed since the Brulotte rule.99

Kimble’s second claim is that the Brulotte rule damages the American economy by discouraging technological innovation.100 Kimble argued that if parties are not free to contract as they please, they may not reach an agreement at all, which may discourage invention in the first place.101 The Court rejected this claim because Kimble offers no empirical evidence that the Brulotte ruling has led to decreased innovation, and because claims that a statutory precedent stifles innovation are more appropriate for Congress.102

In Justice Alito’s dissent, with whom the Chief Justice and Justice Thomas joined, he contended that Brulotte was based on a debunked economic theory, and that “[s]tare decisis does not require [the Court] to retain this baseless and damaging precedent.”103 The dissent claims that Brulotte was not actually about statutory

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91. Id.
93. Id.
94. Id. at 2412
95. Id.
96. Id.
97. Id.
98. Id. at 2413.
99. Id.
100. Id. at 2414.
101. Id.
102. Id.
103. Id. at 2415 (Alito, J. dissenting).
**Kimble v. Marvel Entertainment, LLC: Economic Argument Defeated**

interpretation at all because the Patent Act says nothing about post-expiration royalties. Justice Alito asserts that “nothing in the text of the Act even arguably forbids licensing agreements that provide for post-expiration royalties.” The *Brulotte* ruling was based on policymaking, and bad policymaking at that, according to Justice Alito. He states that the economic reasoning of *Brulotte* has been “soundly refuted”; it incorrectly assumes that post-expiration royalties extend the monopoly of the patent, but once the patent ends the ability to exclude is gone. The majority claims that parties can find ways around *Brulotte*, but Alito claims the need to do this is an economic inefficiency. Additionally, the majority claims that *Brulotte* creates problems by upsetting parties’ expectations, because often both parties are unaware of the rule. Marvel’s claim that the *Brulotte* ruling has generated reliance is not supported, but the Court admits there is an uncertainty and gives Marvel the benefit of the doubt. The dissent asserts that there is no uncertainty, and that what is known for sure is that the *Brulotte* rule has often disrupted parties’ agreements.

After breaking down the *Brulotte* ruling, and even stating that its “only virtue is that [the Court] decided it,” the dissent claims that *stare decisis* does not prevent the case from being overruled. Justice Alito points to *Pearson v. Callahan*, which states that “[r]evisiting precedent is particularly appropriate where … a departure would not upset expectations, the precedent consists of a judge-made rule …, and experience has pointed up the precedent’s shortcomings.” The dissent contends that *stare decisis* does not require the Court to uphold *Brulotte* because its holding “had no basis in the law,” “[i]ts reasoning has been thoroughly disproved,” “[i]t poses economic barriers that stifle innovation,” and “it unsettles contractual expectations.” The dissent believes that the Court may be more reluctant to overturn decisions interpreting statutes, but the *Brulotte* ruling did not actually interpret a statute.

Lastly, the dissent claims the Court places too much weight in the fact that Congress did not act to fix the *Brulotte* rule, citing the reasoning of *Girouard v. United States*.

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104. Id.
105. Id.
106. Id.
107. Id. at 2416.
108. Id.
109. Id. at 2417.
110. Id.
111. Id.
112. Id.
115. Id.
116. Id. at 2418.
that “[i]t is at best treacherous to find in congressional silence alone the adoption of a controlling rule of law.”

IV. ANALYSIS

In *Kimble v. Marvel Entertainment, LLC*, the United States Supreme Court declined to overrule *Brulotte v. Thys Co.* The Court decided correctly by leaving the *Brulotte* rule for Congress to fix, since it was a case of statutory interpretation, not policymaking, and a case of patent law, not antitrust law. This ruling is not likely to create a significant economic impact, but it may lead to Congressional action to amend the Patent Act.

A. The Court Decided Kimble Correctly by Giving Stare Decisis Proper Deference

*Kimble* was decided correctly, and the dissenting arguments lack merit. The crux of the argument in Justice Alito’s dissent is that the *Brulotte* rule “was not based on anything that can plausibly be regarded as an interpretation of the terms of the Patent Act,” but rather was based on a now debunked economic theory. The dissent even continues to say that “nothing in the text of the Act even arguably forbids licensing agreements that provide for post-expiration royalties.” Based on the text of both the *Brulotte* opinion and the Patent Act, both of these claims are false.

The Patent Act gives a patentee the right to exclude others from making, using, or selling the patented article, and these rights are only granted during the twenty year term. The Act does not explicitly forbid licensing agreements with post-expiration royalties, but this consequence can be reasonably inferred. Such an agreement is a way for a patentee to sell his exclusive rights to make, use or sell the article. When the term ends, the patentee no longer has these exclusive rights because they pass to the public. Thus, it can reasonably be concluded that a patentee should not be able to sell rights that are no longer exclusive to him.

The dissent incorrectly believes that the *Brulotte* ruling was not an interpretation of the Patent Act, but rather based on an economic theory. Justice Alito characterizes *Brulotte* as “an antitrust decision masquerading as a patent case.” He argues that the decision was “principally concerned with patentees improperly

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120. See infra Part IV.A.
121. See infra Part IV.B.
123. Id.
124. See supra Part II.A.
126. Id. at 2418.
leverage their monopoly power," and that it "expressly characterized post-expiration royalties as anti-competitive tying arrangements." While the *Brulotte* ruling does indeed state these economic arguments, they are merely used in support of the statutory interpretation reasoning.

*Brulotte* was in fact a ruling of statutory interpretation based on its discussion of the text of the Patent Act and its reliance on the *Scott Paper* decision. After examining the text of the Patent Act, the *Brulotte* Court stated that the patent rights "become public property" once the term is over by relying on the text from the *Scott Paper* decision which stated "any attempted reservation or continuation in the patentee ... after the patent expires, whatever the legal device employed, runs counter to the policy and purpose of the patent laws." This quote from *Scott Paper* is a clear statutory interpretation because it relies on the "policy and purpose" of the Patent Act. Furthermore, since the *Brulotte* ruling relied on *Scott Paper*, it is clear that *Brulotte* was also a statutory interpretation. As the majority opinion in *Kimble* puts it, "*Brulotte* did not undertake to assess that practice’s likely competitive effects. Instead, it applied a categorical principle that all patents, and all benefits from them, must end when their terms expire. To say that *Brulotte* was merely "masquerading as a patent case" is an incredibly unfair characterization based on these arguments.

Perhaps the most damning evidence to the dissent’s argument is found in a footnote to Justice Harlan’s *Brulotte* dissent: “it should not be overlooked that we are dealing here with a patent, not an antitrust case.” Even the dissent in *Brulotte* was firmly aware that the case was certainly a patent one. It is important to note that the majority opinion is aware of how pivotal this characterization is; Justice Kagan writes that “[i]f *Brulotte* were an antitrust rather than a patent case,” the Court might rule in *Kimble*’s favor.

The dissent’s subsequent arguments are rendered moot by the fact that *Brulotte* was ruled on statutory interpretation. After making his assertion that *Brulotte* is based on policymaking, Justice Alito goes on in his dissent to explain why such a policy is a bad one and thus should be overturned. This argument is of no significance because as Justice Kagan stated in the majority opinion, "the choice of what patent policy should be lies first and foremost with Congress." The dissent continues to state that "we do not give super-duper protection to decisions that do not actually interpret a

127. *Id.*
129. *Id.* at 31 (quoting *Scott Paper* Co. v. Marcalus Mfg. Co., 326 U.S. 249, 256 (1945)).
131. *Id.* at 2418 (Alito, J. dissenting).
133. *Kimble*, 135 S.Ct. at 2412.
This argument is clearly moot in light of the fact that Brulotte was a statutory interpretation, thus the “enhanced force” of stare decisis argued by the majority still stands.137

**B. The Kimble Ruling Will Not Have a Significant Economic Impact**

The ruling here is not likely to have any significant economic impact; however, it may eventually have an impact on patent law. The first effect is clear: a patentee may not enforce a royalty provision in a licensing agreement once his patent has expired. This ruling may prevent some parties from entering into the exact deals they require, but as the majority opinion states, “parties can often find ways around Brulotte.”138 For example, an agreement where a licensee defers payments for the use of a patent during the patent period into the post-expiration period of the patent are still allowed.139 Additionally, a post-expiration royalty is still allowed if it is tied to a non-patent right.140 This means two parties can enter an agreement where a royalty for a patent is paid during the patent period, and during the post patent period a royalty is paid for a trade secret.141 The decision is also unlikely to upset any expectations of parties who entered into post-patent royalty agreements, because Marvel was unable to present any such examples and Kimble claimed no “meaningful number of [such] license agreements ... actually exist.”142 While the Court did admit ignorance as to whether such agreements exist, it seems unlikely that if neither side was able to find any examples that this decision would create significant problems for existing agreements.143

However, as Kimble contends and the Court does not refute, “a broad scholarly consensus supports Kimble’s view of the [positive] competitive effects of post-expiration royalties.”144 While Kimble’s economic argument may not have had any effect on the Court, it is plausible that this case will bring the attention of Congress to this issue. After all, the Court explicitly stated that “critics of the Brulotte rule must seek relief not from this Court but from Congress.”145

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137. Kimble, 135 S.Ct. at 2409.
138. Id. at 2408.
139. Id.
140. Id.
141. Id.
142. Id. at 2410 (citation omitted).
143. Id.
144. Id. at 2412 (“[Post-patent royalty agreements] more often increase than inhibit competition, both before and after the patent expires.” Id.”[A] longer payment period will typically go hand-in-hand with a lower royalty rate. During the patent term, those reduced rates may lead to lower consumer prices, making the patented technology more competitive with alternatives; too, the lesser rates may enable more companies to afford a license, fostering competition among the patent’s own users.” Id. (citation omitted).)
145. Id. at 2405.
**Kimble v. Marvel Entertainment, LLC: Economic Argument Defeated**

**V. CONCLUSION**

In *Kimble v. Marvel Entertainment, LLC*\(^{146}\), the issue presented to the Court was whether it should overrule its decision in *Brulotte v. Thys Co.*\(^{147}\), which held that a patentee cannot receive royalty payments after the term of the patent has expired.\(^{148}\) The court held that under *stare decisis* it must uphold the *Brulotte* ruling.\(^{149}\) The Court ruled correctly by upholding a ruling on statutory interpretation that had been unchanged by Congress for over half a century. The dissent’s inaccurate argument that the *Brulotte* ruling was actually bad policymaking is not enough to overcome *stare decisis*.

\(^{146}\) 135 S. Ct. 2401 (2015).

\(^{147}\) 379 U.S. 29 (1964).

\(^{148}\) See supra Part I.

\(^{149}\) *Kimble*, 135 S.Ct. at 2405.