

The Burger Court Opinion Writing Database

Aronson v. Quick Point Pencil Co.

440 U.S. 257 (1979)

Paul J. Wahlbeck, George Washington University

James F. Spriggs, II, Washington University in St. Louis

Forrest Maltzman, George Washington University



To: Mr. Justice Brennan
Mr. Justice Stewart
Mr. Justice White
Mr. Justice Marshall
Mr. Justice Blackmun
Mr. Justice Powell
Mr. Justice Rehnquist
Mr. Justice Stevens

From: The Chief Justice

Circulated: JAN 19 1979

Recirculated: _____

1st DRAFT

SUPREME COURT OF THE UNITED STATES

No. 77-1413

Jane Aronson, Petitioner,	} On Writ of Certiorari to the	
v.		United States Court of Ap-
Quick Point Pencil Company.		peals for the Eighth Circuit.

[February —, 1979]

MR. CHIEF JUSTICE BURGER delivered the opinion of the Court.

We granted certiorari to consider whether federal patent law pre-empts state contract law so as to preclude enforcement of a contract to pay royalties to a patent applicant, on sales of articles embodying the putative invention, for so long as the contracting party sells them whether or not a patent is granted.

(1)

In October 1955 the respondent Mrs. Jane Aronson filed an application, Serial No. 542677, for a patent on a new form of keyholder. Although ingenious, the design was so simple that it readily could be copied unless it was protected by patent. In June 1956, while the patent application was pending, Mrs. Aronson negotiated a contract with the petitioner, Quick Point Pencil Company, for the manufacture and sale of the keyholder.

The contract was embodied in two documents, the first being a letter from Quick Point to Mrs. Aronson. In that letter, Quick Point agreed to pay Mrs. Aronson a royalty of 5% of the selling price in return for "the exclusive right to make and sell keyholders of the type shown in your application, Serial No. 542677." The letter further provided that the parties would consult one another concerning the steps to be taken "[i]n the event of any infringement."

To: Mr. Justice Brennan
Mr. Justice Stewart
Mr. Justice White
Mr. Justice Marshall
Mr. Justice Blackmun
Mr. Justice Powell
Mr. Justice Rehnquist
Mr. Justice Stevens

From: The Chief Justice

Circulated: _____

Recirculated: JAN 22 1979

STYLISTIC CHANGES AS MARKED:

2nd DRAFT

SUPREME COURT OF THE UNITED STATES

No. 77-1413

Jane Aronson, Petitioner, | On Writ of Certiorari to the
v. | United States Court of Ap-
Quick Point Pencil Company. | peals for the Eighth Circuit.

[February —, 1979]

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(1)

In October 1955 the petitioner Mrs. Jane Aronson filed an application, Serial No. 542677, for a patent on a new form of keyholder. Although ingenious, the design was so simple that it readily could be copied unless it was protected by patent. In June 1956, while the patent application was pending, Mrs. Aronson negotiated a contract with the respondent, Quick Point Pencil Company, for the manufacture and sale of the keyholder.

The contract was embodied in two documents, the first being a letter from Quick Point to Mrs. Aronson. In that letter, Quick Point agreed to pay Mrs. Aronson a royalty of 5% of the selling price in return for "the exclusive right to make and sell keyholders of the type shown in your application, Serial No. 542677." The letter further provided that the parties would consult one another concerning the steps to be taken "[i]n the event of any infringement."

✓
STYLISTIC CHANGES AS MARKED:

To: Mr. Justice Brennan
Mr. Justice Stewart
Mr. Justice White
Mr. Justice Marshall
Mr. Justice Blackmun
Mr. Justice Powell
Mr. Justice Rehnquist
Mr. Justice Stevens

From: The Chief Justice

3rd DRAFT

Circulated: JAN 23 1979

Recirculated: _____

SUPREME COURT OF THE UNITED STATES

No. 77-1413

Jane Aronson, Petitioner,
v.
Quick Point Pencil Company. | On Writ of Certiorari to the
United States Court of Ap-
peals for the Eighth Circuit.

[February —, 1979]

MR. CHIEF JUSTICE BURGER delivered the opinion of the Court.

We granted certiorari to consider whether federal patent law pre-empts state contract law so as to preclude enforcement of a contract to pay royalties to a patent applicant, on sales of articles embodying the putative invention, for so long as the contracting party sells them whether or not a patent is granted.

(1)

In October 1955 the petitioner Mrs. Jane Aronson filed an application, Serial No. 542677, for a patent on a new form of keyholder. Although ingenious, the design was so simple that it readily could be copied unless it was protected by patent. In June 1956, while the patent application was pending, Mrs. Aronson negotiated a contract with the respondent, Quick Point Pencil Company, for the manufacture and sale of the keyholder.

The contract was embodied in two documents, the first being a letter from Quick Point to Mrs. Aronson. In that letter, Quick Point agreed to pay Mrs. Aronson a royalty of 5% of the selling price in return for "the exclusive right to make and sell keyholders of the type shown in your application, Serial No. 542677." The letter further provided that the parties would consult one another concerning the steps to be taken "[i]n the event of any infringement."

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
THE CHIEF JUSTICE

January 24, 1979

Re: 77-1413 - Aronson v. Quick Point Pencil

Dear Harry:

On page 7 I am prepared to change the reference to Brulotte, if that will meet your concern, to read:

7
"Nor does this court's decision in Brulotte v. Thys Co., 379 U.S. 29 (1964), require that Quick Point be relieved of its obligations under the royalty agreement."

Regards,

WJB

Mr. Justice Blackmun

✓
Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
THE CHIEF JUSTICE

February 16, 1979

Re: 77-1413 - Aronson v. Quick Point Pencil Co.

MEMORANDUM TO THE CONFERENCE:

On page 7, line 1, I am substituting "novel device"
for "new and secret invention."

Absent dissent, I shall proceed.

Regards,



✓
Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
THE CHIEF JUSTICE

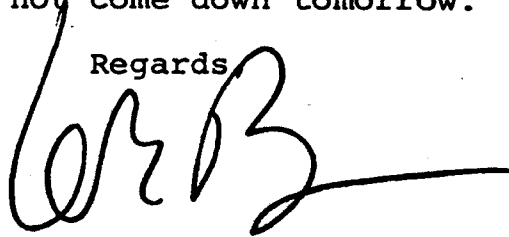
February 21, 1979

Re: 77-1413 - Aronson v. Quick Point Pencil Co.

MEMORANDUM TO THE CONFERENCE:

I am making some belated stylistic changes in
this case so it will not come down tomorrow.

Regards



cc: Mr. Cornio

To: Mr. Justice Brennan
Mr. Justice Stewart
Mr. Justice White
Mr. Justice Marshall
Mr. Justice Blackmun
Mr. Justice Powell
Mr. Justice Rehnquist
Mr. Justice Stevens

~~SUBSTANTIVE~~ CHANGES AS MARKED:

From: The Chief Justice

Circulated: _____

Recirculated: FEB 24 1979

4th DRAFT

SUPREME COURT OF THE UNITED STATES

No. 77-1413

Jane Aronson, Petitioner,	On Writ of Certiorari to the	
v.		United States Court of Ap-
Quick Point Pencil Company.		peals for the Eighth Circuit.

[February —, 1979]

MR. CHIEF JUSTICE BURGER delivered the opinion of the Court.

We granted certiorari to consider whether federal patent law pre-empts state contract law so as to preclude enforcement of a contract to pay royalties to a patent applicant, on sales of articles embodying the putative invention, for so long as the contracting party sells them, if a patent is not granted.

(1)

In October 1955 the petitioner Mrs. Jane Aronson filed an application, Serial No. 542677, for a patent on a new form of keyholder. Although ingenious, the design was so simple that it readily could be copied unless it was protected by patent. In June 1956, while the patent application was pending, Mrs. Aronson negotiated a contract with the respondent, Quick Point Pencil Company, for the manufacture and sale of the keyholder.

The contract was embodied in two documents. In the first, a letter from Quick Point to Mrs. Aronson, Quick Point agreed to pay Mrs. Aronson a royalty of 5% of the selling price in return for "the exclusive right to make and sell keyholders of the type shown in your application, Serial No. 542677." The letter further provided that the parties would consult one another concerning the steps to be taken "[i]n the event of any infringement."

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE WM. J. BRENNAN, JR.

January 22, 1979

RE: No. 77-1413 Aronson v. Quick Point Pencil Co.

Dear Chief:

I agree.

Sincerely,

Bell

The Chief Justice

cc: The Conference

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Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE POTTER STEWART

January 23, 1979

Re: No. 77-1413 - Aronson v. Quick Point Pencil Co.

Dear Chief:

I am glad to join your opinion for the
Court.

Sincerely yours,

PS:
1.5.

The Chief Justice

Copies to the Conference

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE BYRON R. WHITE

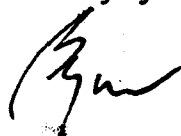
January 23, 1979

Re: No. 77-1413 - Aronson v. Quick
Point Pencil Co.

Dear Chief,

Please join me.

Sincerely yours,



The Chief Justice

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Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE THURGOOD MARSHALL

January 23, 1979

Re: No. 77-1413-Aronson v. Quick Point Pencil Co.

Dear Chief:

Please join me.

Sincerely,

T.M.

T.M.

The Chief Justice

cc: The Conference

To: The Chief Justice
Mr. Justice Brennan
Mr. Justice Stewart
Mr. Justice White
Mr. Justice Marshall
Mr. Justice Powell
Mr. Justice Rahnquist
Mr. Justice Stevens

From: Mr. Justice Blackmun

Circulated: 24 JAN 1979

Recirculated: _____

No. 77-1413 - Aronson v. Quick Point Pencil Co.

MR. JUSTICE BLACKMUN, concurring in the result.

For me, the hard question is whether this case can meaningfully be distinguished from Brulotte v. Thys Co., 379 U.S. 29 (1964). There the Court held a patent licensor could not use the leverage of its patent to obtain a royalty contract that extended beyond the patent's 17-year term. Here Mrs. Aronson has used the leverage of her patent application to negotiate a royalty contract which continues to be binding even though the patent application was long ago denied.

To: The Chief Justice
Mr. Justice Brennan
Mr. Justice Stewart
Mr. Justice White
Mr. Justice Marshall
Mr. Justice Powell
Mr. Justice Rehnquist
Mr. Justice Stevens

From: Mr. Justice Blackmun

Circulated: _____

Recirculated: 25 JAN 1979

1st DRAFT

SUPREME COURT OF THE UNITED STATES

No. 77-1413

Jane Aronson, Petitioner,	On Writ of Certiorari to the	
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Quick Point Pencil Company.		peals for the Eighth Circuit.

[February —, 1979]

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The Court, *ante*, at 8, asserts that her leverage played "no part" with respect to the contingent agreement to pay a reduced royalty if no patent issued within five years. Yet it may well be that Quick Point agreed to that contingency in order to obtain its other rights that depended on the success of the patent application. The parties did not apportion consideration in the neat fashion the Court adopts.

In my view, the holding in *Brulotte* reflects hostility toward extension of a patent monopoly whose term is fixed by statute, 35 U. S. C. § 154. Such hostility has no place here. A patent application which is later denied temporarily discourages unlicensed imitators. Its benefits and hazards are of a different magnitude from those of a granted patent that prohibits all competition for 17 years. Nothing justifies estopping a patent application licensor from entering into a contract whose term does not end if the application fails. The Court points out, *ante*, at 5-6, that enforcement of this contract does not conflict with the objectives of the patent

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE LEWIS F. POWELL, JR.

January 23, 1979

No. 77-1413 Aronson v. Quick Point Pencil Company

Dear Chief:

Please join me.

Sincerely,

L. Lewis

The Chief Justice

Copies to the Conference

LFP/lab

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE WILLIAM H. REHNQUIST

January 24, 1979

Re: No. 77-1413 Aronson v. Quick Point Pencil Co.

Dear Chief:

Please join me.

Sincerely,



The Chief Justice

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Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE JOHN PAUL STEVENS

January 22, 1979

Re: 77-1413 - Aronson v. Quick Point Pencil Co.

Dear Chief:

Please join me.

Respectfully,



The Chief Justice

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