I grant that this rule would, as the majority points out, work some inequity, since unions that represent both supervisors and their subordinates would be restricted in their resort to self-help. In that circumstance, however, Congress' purpose in enacting Section 8(b)(1)(B) is at least arguably involved. I do not understand how avoiding this lesser inequity justifies adopting a construction of the Section that leads to greater inequity—inequity that is, moreover, entirely unjustified by the interests Congress intended the Section to protect.

I would grant the petition for review, reverse the decision of the Board, and deny enforcement of the order. I respectfully dissent.

MONTECATINI EDISON, S.P.A. (a corporation of Italy) Appellee,

v.

Karl ZIEGLER, Appellant,

and

E. I. Dupont de Nemours and Company (a corporation of Delaware).

No. 72-1281.

United States Court of Appeals, District of Columbia Circuit.

Argued March 5, 1973.

Decided Oct. 5, 1973.

Action was brought to review adjudication of priority of the invention in patent interference proceedings. The defendant sought to assert a counterclaim alleging misappropriation of inventions by plaintiff and seeking to impress a trust in favor of defendant on all property rights of plaintiff in the field and to appoint a receiver pendente lite. The United States District Court for the District of Columbia, James L. Watson, J., Customs Court, sitting by designation, entered order dismissing the counterclaim and the defendant appealed. The Court of Appeals, Tamm, Circuit Judge, held that the counterclaim was a permissive counterclaim cognizable in the civil action and that the counterclaim was within the subject matter jurisdiction of District Court.

Reversed and remanded.

1. Federal Civil Procedure ⇐778

Under rule providing that a pleading may state any permissive counterclaim and must state any compulsory counterclaim, the word "may" is not intended to confer any discretion on court with respect to permissive counterclaim but gives litigant a choice either to assert or not to assert a permissive counterclaim; if he elects to plead it court must entertain it so long as it is within court's subject matter jurisdiction. Fed.Rules Civ.Proc. rule 13, 28 U.S.C.A.

See publication Words and Phrases for other judicial constructions and definitions.

2. Federal Civil Procedure ⇐774

Objective of federal rules with respect to counterclaims is to provide complete relief to parties, to conserve judicial resources and to avoid proliferation of lawsuits. Fed.Rules Civ.Proc. rule 13, 28 U.S.C.A.

3. Patents ⇐114.10

Defendant in a civil action brought against parties to patent interference proceeding to review determination of adjudication of priority of invention was entitled to assert permissive counterclaim. Fed.Rules Civ.Proc. rule 13, 28 U.S.C.A.; 35 U.S.C.A. § 146.

4. Patents ⇐114.18

Parties to civil action to review adjudication of priority of invention by patent office in interference proceeding may not raise new issues which were not presented before patent office. 35 U.S.C.A. § 146.

5. Patents ⇐114.18

Since counterclaim sought to be asserted by defendant in civil action to review adjudication of priority of inven-

trative proceeding with inherent limitations on the issues which may be raised in the original claim or by counterclaim.

. . . .

In addition, counterclaims which are not compulsory are generally not allowed in actions arising under special statutory provisions.

Montecatini Edison, S.P.A. v. Ziegler, Civil Action No. 3291/69 (D.D.C., filed January 25, 1972). We believe that the district court erred in holding that permissive counterclaims may not be entertained in section 146 actions. This is a novel and complex question, however, and we would be remiss if we did not discuss the authorities relied upon by the appellee and the district court. Following that discussion we shall take up the question of subject matter jurisdiction over the Ziegler counterclaim.

I.

[1–3] At the outset it must be pointed out that Montecatini's position (*i. e.*, that permissive, non-Federal counterclaims may not be asserted in section 146 actions) is in derogation of both the express provisions and the underlying policies of the Federal Rules of Civil Procedure. Rule 13 provides that a pleading *may* state any permissive counterclaim and *must* state any compulsory counterclaim.[8] The word "may" is not intended to confer any discretion upon the court with respect to a permissive counterclaim; rather, it gives the litigant a choice either to assert or not to assert a permissive counterclaim. If he elects to plead it, the court must entertain it so long as it is within the court's subject matter jurisdiction. Switzer Brothers, Inc. v. Locklin, 207 F.2d 483, 488 (7th Cir. 1953), cert. denied, 347 U. S. 912, 74 S.Ct. 477, 98 L.Ed. 1069 (1954); Michigan Tool Co., Inc. v. Drummond, 33 F. Supp. 540, 542 (D.D. C. 1938).[9] In effect, Rule 13(b) confers upon a litigant the right to have his permissive counterclaim heard and determined along with the claims of his adversary. The objective of the Federal Rules with respect to counterclaims is to provide complete relief to the parties, to conserve judicial resources and to avoid the proliferation of lawsuits. Stewart-Warner Corp. v. Westinghouse Electric Corp., 325 F.2d 822, 827 (2d Cir. 1963), cert. denied, 376 U.S. 944, 84 S.Ct. 800, 11 L.Ed.2d 767 (1964). Thus, Montecatini assumes a great burden in attempting to persuade this court that the usual rule as to permissive counterclaims should not apply in a section 146 proceeding. We conclude that the burden has not been carried.[10]

Montecatini's argument on this point is founded upon two asserted principles of law, each relying upon a separate line of cases: (A) the parties to a section 146 action may not raise new issues which were not presented before the Patent Office in the antecedent interference proceedings; [11] (B) permissive

8. Rule 13 states, in pertinent part:
(a) Compulsory counterclaims.

A pleading shall take as a counterclaim any claim which at the time of serving the pleading the pleader has against any opposing party, if it arises out of the transaction or occurrence that is the subject matter of the opposing party's claim and does not require for its adjudication the presence of third parties of whom the court cannot acquire jurisdiction. . . .
(b) Permissive counterclaims.

A pleading may state as a counterclaim any claim against an opposing party not arising out of the transaction or occurrence that is the subject matter of the opposing party's claim.

9. Under Rule 13 the court may refuse to permit the pleading of a counterclaim in only two instances: (1) where the claim accrues to a party after he has already filed his pleading [Rule 13(e)]; and (2) where the party has inadvertently omitted the counterclaim from a pleading already filed [Rule 13(f)].

10. By the terms of the Rules themselves, Rule 13 does apply to section 146 actions. Rule 1 makes all of the Rules applicable in "all suits of a civil nature . . . with the exceptions stated in Rule 81." Rule 81 contains no exception for section 146 actions. *See, also,* 2 Moore, Federal Practice ¶ 1.-03[4] (2d Ed. 1970).

11. Appellee's Brief at 13–17.