IP LAW360

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Q&A With Oblon Spivak's Richard D. Kelly

Friday, Oct 19, 2007 --- The new USPTO rules will have little impact on resolving the pendency or quality issues of patents and should be dropped, says Oblon Spivak's Richard D. Kelly in our series of chats with high-profile IP lawyers.

Q. What's the most challenging IP case you've worked on, and why?

A. The Loral Fairchild litigation against Toshiba. This case was challenging because we were defending Toshiba in a jury after a previous defendant had already tried the issues of validity and infringement earlier and lost before the jury. We had no non-infringement defense for most of the accused products, only invalidity. Complicating matters further was that the trial began in December 2001 in Brooklyn, Loral's home district. In the end, the jury found for Toshiba on all invalidity grounds.

Q. What's the most ridiculous IP lawsuit you've defended a client against?

A. The intermittent windshield wiper case brought by Robert Kearns. The technology was not ridiculous, but Kearns turned the procedure into a three-ring circus. He spent time in jail for refusing to pay his wife's alimony even though he had obtained a nice settlement from Ford in the matter. At the end of the case, he was estranged from his daughter.

Q. Which aspects of IP law do you think are in need of reform, and why?

A. First, we need to adopt the first-to-file system. The current first-to-invent system is out of step with the rest of the world and does not even give the small inventor or the university any advantage in priority disputes with large companies. Second, the Federal Circuit needs to provide more uniformity in its decision-making process. The irreconcilable opinions being issued are not providing the desired predictability which was the driving force behind its creation. This is most apparent in the high reversal of district court Markman decisions.

Q. If you were the head of the USPTO, what changes would you make?

A. Drop the new rules which will have little impact on resolving the pendency or quality issues. The real problem is that examiners do not, as a rule, receive adequate training. The USPTO's implementation of the second eyes program confirmed this. It is necessary to restore the morale of the examiners. We need to realize that it is impossible for any patent office to

commit the resources that parties to a litigation commit in searching for prior art. The use of a single post-grant opposition period by the USPTO would give the public the opportunity to challenge patents in a less expensive (hopefully) forum than a court.

Q. Where do you see the next wave of IP cases coming from?

A. The next wave will come from the rising economies of China and India, with India coming on first. India is developing world-class pharmaceutical, steel, auto and Internet services industries. Already, a number of India's pharmaceutical companies have moved from copy cats to innovators.

Q. Outside your own firm, can you name one IP lawyer who's impressed you and tell us why?

A. John Calimafde. John and our firm tried the Loral case together. His skills in the courtroom were a real eye-opener to me. He used a grandfatherly approach in cross-examination such that the witness never knew he was being skewered — but the jury knew. From observing John in court and the jury's reaction to him, I realized the importance of "presence" in the courtroom. John fought hard for his clients but always was a gentleman and courteous to opposing counsel.

Q. What advice would you give to a young lawyer who's interested in getting into IP?

A. In my opinion, it's a mistake to lump all IP together. The advice I'd give to a young lawyer interested in trademarks or copyrights is quite different from what I'd give someone interested in patents. Similarly, I'd ask if the person was interested in litigation or transactional matters because the advice differs greatly.

For the individual interested in prosecution, it is my suggestion that she look for a firm having an emphasis on prosecution. Such firms offer the greatest opportunity for professional development. At firms where the emphasis is on litigation, the prosecution attorney is often a second-class citizen.

Q. I'm a general counsel with a Fortune 500 company facing a major patent lawsuit. Why should I hire your firm?

A. Our firm's philosophy is to put together a team of attorneys that includes attorneys conversant in the involved technology, many having advanced degrees, with seasoned patent litigators who are also technically trained. This combination allows us to quickly identify the important issues and to focus on those issues. This team of lawyers stays together throughout the case, providing greater efficiency than in those instances where the personnel changes as the case proceeds. Second, we understand that at trial, we must present the technology to the judge and jury and provide them with the tools to enable them to make a decision. We use a theme for the trial to present evidence in a manner that persuades them that the client's point of

view is correct. Finally, we understand that the litigation is the client's litigation and that we must bring the litigation to a conclusion that furthers the client's business objectives. Toward that end, when we are first retained, we want to know the client's business objective. Is the client seeking to maintain a market niche to himself or is it to further his licensing efforts. We have found that these techniques have made us successful in satisfying our clients' litigation objectives.

Richard D. Kelly is a senior partner in the litigation department and a member of the board of directors at Oblon, Spivak, McClelland, Maier & Neustadt, PC.

