

President's Speech on Behalf of Judge Rich at the 89th Annual NYIPLA Judges Dinner, March 25, 2011

My name is Dale Carlson. I am most pleased to welcome you to this evening's dinner in my role as NYIPLA President. I am the first President in the NYIPLA's history to be from a Connecticut law firm. This is a testament to the NYIPLA's geographical diversity as the largest regional intellectual property law association in the country - with active members reaching from New York and New Jersey to Connecticut and Vermont.

The reason why we call this a "Judges Dinner" is because we take this occasion each year to honor and salute our federal judges. We've done this in good times and bad - through the Roaring Twenties, the Great Depression, the Dot-com boom and bust, and now what we can only hope is the tail end of the Great Recession. Tonight we honor two judges from the Court of Appeals for the Federal Circuit, and we salute one judge from the Eastern District of New York.

During a time when basic tenets of our nation's patent system are being called into question, it is eminently appropriate for us to honor a staunch supporter of a strong patent system, Giles S. Rich. Judge Rich was NYIPLA President exactly sixty years ago - during 1950-51. Tonight we mark the diamond anniversary of his Presidency.

During his presidency, Judge Rich was part of a two-person drafting committee to co-author the Patent Act of 1952. It is the law of the land for patents today. The other co-author was Paul Rose - a patent lawyer at the time with a former employer of mine, Union Carbide Corporation. Back then, Judge Rich was an adjunct professor of patent law at Columbia, and Paul Rose was an adjunct professor of patent law at George Washington University. In drafting the Patent Act, they worked closely with another patent expert - Pasquale Federico of the U.S. Patent Office.

Not long after his term as NYIPLA President, Judge Rich became a federal judge, first with the Court of Customs and Patent Appeals, and later with the Court of Appeals for the Federal Circuit upon its creation in 1982. During his long tenure on the bench, Judge Rich was in the unique position of construing the very statute he co-authored during his time as NYIPLA President.

I mentioned before that basic tenets of our nation's patent system are currently being called into question. One example is the recent *Ebay* opinion from the Supreme Court. In *Ebay*, the Supreme Court opined that a patent owner is no longer en-

titled to injunctive relief against an infringer as a matter of right.

The Court's ruling in *Ebay* does not comport with the view that Judge Rich expressed to us from this podium at the NYIPLA Judges Dinner in 1997. He said then: "The Supreme Court held over one hundred years ago that all a patentee gets is the right to exclude others, which is not ambiguous. Bearing that in mind, the Patent Act of 1952 changed the wording of the grant from 'exclusive right' to 'right to exclude others'. You may think it unimportant, but it is important because it often affects legal reasoning."¹

Although clearly inconsistent with the Supreme Court's position in *Ebay*, Judge Rich's view of the patent right deserves to be revisited now, not only because he was an expert in patent law, but also because he co-authored the very statute that he was speaking about.

Further changes to our patent system are proposed in the patent reform bill currently pending in Congress (S.23) - titled the "America Invents Act". In writing about patent reform initiatives, Judge Rich had this to say: "Let it be remembered that the patent system is supposed to be an incentive system. If it ceases to provide incentives...we may as well dispense with it. The question to be asked first about every proposal for change is: What does this do to the incentives?"²

One provision of the patent reform bill would strip the so-called best mode disclosure requirement of its force by rendering failure to disclose the best aspects of the invention known to the inventor in a patent application unusable as a basis to later invalidate the patent or render it unenforceable. The answer to Judge Rich's question - what effect will this have on the incentive to disclose? - is that removing the penalty for failure to disclose best mode will diminish the incentive to disclose the best mode. Accordingly, Judge Rich would say: "Don't make this change."

The patent reform bill would also supplement, if not supplant, our current system of post-grant patent review with a European-style Opposition procedure. This radical change to our patent system was first proposed back during the Reagan era - but was not adopted in this country then. It was, however, adopted by Japan, South Korea and China.

The Opposition protocol failed in all three countries, and was abolished. We should learn from the Asian experience, and not adopt this change. We already have a form of post grant review. It is called *Inter Partes* Reexamination. Judge Rich would say

that we should try to improve the existing form of post grant review, rather than adopt a radical new system that is likely to be fraught with problems. Here are Judge Rich's exact words: "The way to perfect a legal system which is working very well but is developing problems is first to try solving the problems within the framework of the system, not to junk the system and substitute another with potential problems as yet undreamed of."³

As you can see, Judge Rich had a clear and concise style of writing. During his lifetime, he did much of his thinking and writing from his summer home in Newtown, Connecticut. He built that house by hand, and shared it with family and friends, including his law clerks, many of whom have joined us this evening to honor him.

The Federal Circuit Historical Society recently published a two hundred page Journal⁴ about Judge Rich's life, his family, and his career, including speeches and articles. The NYIPLA is most grateful to the Federal Circuit Historical Society for allowing us to share the Journal with all attendees at tonight's dinner. A copy of the Journal is on the CD located in the back of your program book. If you are a student of the law or a student of history, then this Journal is a must-read. My hope is that the story of Judge Rich's life will inspire us all.

One of his former law clerks, James F. Davis, wrote of Judge Rich that "he did not need more titles."⁵ Nonetheless, our profession benefits by giving a new title because that spreads Judge Rich's name recognition to others who may wish to learn about him. And so, tonight, it is my pleasure to announce that the NYIPLA Law Student Diversity Scholarship given each May at our Association's Annual Meeting will henceforth be called "The Honorable Giles S. Rich Diversity Scholarship".

And now I have the pleasure of presenting a Steuben glass-work in honor of Judge Rich's lifetime of achievements. The award is being accepted by his grand-daughter, Elizabeth Hallinan. As a side note, Elizabeth's great-grandfather attended our first Judges Dinner in 1922. Elizabeth is a first year law student at my alma mater, New York University School of Law. Elizabeth, please step up to the podium to accept this award on behalf of your grandfather.

1 "Giles S. Rich's Speech at the 75th Annual Dinner of the NYIPLA", NYIPLA Bulletin, Volume 37, Number 5, May/June 1997.

2 "Commentary, Proposed Patent Reforms, 1967 - Introduction" by Giles S. Rich, 36 Geo. Wash. L. Rev. 95-99, at 99 (1967-68).

3 *Id.* at 99.

4 Journal of the Federal Circuit Historical Society, Volume 3 (2009).

5 "Giles S. Rich His Life and Legacy Revisited" by James F. Davis, published in ABA's *Landslide* magazine, Volume 2, Number 1 (September/October 2009).