



January 1993

Book Review [Patent Alternative Dispute Resolution]

Nancy Yeend

Follow this and additional works at: <http://digitalcommons.law.scu.edu/chtlj>



Part of the [Law Commons](#)

Recommended Citation

Nancy Yeend, *Book Review [Patent Alternative Dispute Resolution]*, 9 SANTA CLARA HIGH TECH. L.J. 397 (1993).
Available at: <http://digitalcommons.law.scu.edu/chtlj/vol9/iss1/12>

This Book Review is brought to you for free and open access by the Journals at Santa Clara Law Digital Commons. It has been accepted for inclusion in Santa Clara High Technology Law Journal by an authorized administrator of Santa Clara Law Digital Commons. For more information, please contact sculawlibrarian@gmail.com.

BOOK REVIEW

PATENT ALTERNATIVE DISPUTE RESOLUTION

PATENT ALTERNATIVE DISPUTE RESOLUTION HANDBOOK. *By* Tom Arnold with Michael G. Fletcher and Robert J. McAughan, Jr. *Clark Boardman Callaghan*, 1991. 140 pages, 2 appendices. \$85.00.

Nancy Yeend*

Alternative dispute resolution (ADR) has been used by commercial attorneys for many years to resolve conflicts without resorting to litigation. ADR processes, however, have been used for only slightly more than a decade to resolve patent disputes, as Tom Arnold points out in the Patent Alternative Dispute Resolution Handbook. There are many ADR processes that may be used to settle patent disputes, but this book fails to provide a comprehensive discussion of those processes. While the book provides a reasonably thorough analysis of arbitration in the patent area, it presents only elementary passages on mediation and minitrial with minor references to other ADR processes. For this reason, the title of the book is a misnomer and a more accurate title would have been "Patent Arbitration Handbook."

The writing style is informal, peppered with slang and colloquialisms typical of Arnold's Texas vernacular. The jaunty style begins in the Preface and is evident in Part One, but the colorful language fades as the book progresses.

The book is divided into three parts followed by two extensive appendices. Part Three consists of a single page that should have been incorporated elsewhere in the book. The pages of the book are separately numbered by chapter and the book is approximately 280 pages in length. The two appendices comprise fifty percent of the

Copyright © 1993 by Nancy Yeend.

* President, ADRA, Alternative Dispute Resolution Associates, Palo Alto, CA; ADR Instructor, San Francisco Law School.

book. Half of the remaining book is a single chapter on binding arbitration.

The text of the Patent Alternative Dispute Resolution Handbook, for the most part, is an expansion of Arnold's article, *Alternative Dispute Resolution in Intellectual Property Cases*.¹ He received an award in 1992 from the Center for Public Resources for an original article advancing the understanding in the field of ADR.² Unfortunately, the book does not maintain the tight writing style and consistent structure of the article.

Part One of the book is divided into five extremely short chapters covering the overburdened courts, evolution of ADR in patent law, and the increased use of ADR in general. Arnold describes the usual arguments in favor of ADR, including the chaos of the courts and the burdensome resource consumption of litigation, particularly the high expenditures of time and money. Arnold provides some compelling statistics, but his justification for use of ADR in patent law brings nothing new to the field. His arguments in favor of ADR are the same as those previous authors have raised in other areas of law.

The author's division of the evolution of ADR into three separate chapters is puzzling. The subdivision of a topic into multiple chapters seems unnecessary when a single chapter is little more than one page long. This chronic segmentation of subjects is perpetuated throughout the book.

The final chapter in Part One reviews the advantages of ADR. The issues discussed focus particularly on arbitration and delineate the customary advantages cited in all basic ADR texts: time, money, finality, expertise of a neutral, confidentiality, and preservation of relationships.

Part Two of the book contains sixteen chapters and promises, in its title, to address "Types of ADR Applied to Patent Disputes," leading the reader to expect a wide-ranging discussion of numerous ADR processes used in the patent law area. The result is disappointing. The chapter on arbitration represents more than fifty percent of the entire original text. Although not all the various forms of ADR have been used effectively to settle patent disputes, as Arnold accurately points out, the mere listing of ADR processes hardly warrants the title of "Patent Alternative Dispute Resolution Handbook."

1. Tom Arnold, *Alternative Dispute Resolution in Intellectual Property Cases*, 9 AIPLA SELECTED LEGAL PAPERS 1 (1991).

2. CPR Legal Program Award (1991).

Chapter 7, on binding arbitration, is one of two high points in the book. Here, Arnold articulates the basics of arbitration including agreements to adapt the process, discovery, enforceability, rules, and liquidated damages. Two complete discussions are presented in this chapter: arbitration law and international law.

The footnotes concerning current United States arbitration law are complete, and the points made regarding the Federal Rules of Civil Procedure as applied to arbitration are well worth reading. The discussion of international arbitration of intellectual property disputes is informative and offers readers a valuable summary of the international status of ADR by using examples from several countries.

The last half of the binding arbitration chapter embodies the primary value of this book: a nuts-and-bolts discussion of patent arbitration. Included are time-saving tips from one who obviously has experience with patent arbitration. He focuses on the special issues unique to patent disputes. Arnold and his associates discuss fundamental issues such as choice-of-law clauses, discovery, liquidated damages, injunctions, rules of evidence, and awards. Of significance is the discussion of issues surrounding the arbitrators themselves: selection, neutrality, and number. The author shines as he provides the ADR novice with a condensed course in arbitration.

There does not appear to be any readily identifiable taxonomic ordering to the series of chapters addressed in Part Two. More than a dozen ADR processes are introduced, but the discussion does not lead the reader along a clear, well-marked path. Processes could have been explained more effectively based on a continuum - from those providing the most control by the involved parties over the outcome to the least control, or grouped by binding versus non-binding or private versus court-annexed. It would be helpful for the attorney new to ADR to read a discussion of the various processes in some logical order. Taxonomic ordering allows relationships among the various processes to become apparent.

It is difficult to understand why Summary Jury Trial and Moderated Settlement Conference were not included in the "Court-Annexed ADR" chapter, particularly when both are court-annexed processes, and the presented discussion is minimal. Surprisingly, negotiation, the bread-and-butter ADR process for all attorneys, even patent law attorneys, is addressed by Arnold only in passing.

After arbitration the ADR processes of minitrial and mediation receive the most attention. The mediation chapter covers the

basics of the process and nearly half the chapter is spent on a trademark mediation example. This discussion closely parallels the text of the APLA article.³ Although the illustration is appropriate, mediation is such an important dispute resolution process, it is disappointing that this chapter was not more informative. This chapter describes "Requirements of Mediation" which, in fact, are not universal. For example, the mediator becoming a fact-finder may be a violation of the code of ethics in some states.⁴ As with any generic text, state rules may contradict broad statements and the author should make appropriate qualifications.

The portion of the chapter covering the rudimentary aspects of one type of minitrial is adequate. While Arnold, throughout the book, decries the lack of consistency in the definitions of ADR terms, he refers to minitrial as an *arbitration* hybrid. Most ADR writers consider the minitrial a *mediation* hybrid⁵ because of the non-binding nature of the minitrial. The reasons given pro and con for this process are not unique to minitrial, but are consistent with all non-binding processes.

The second high point of the book is the appendices: Appendix A, "Rules of Arbitration" and Appendix B, "Patent ADR Materials." Appendix A comprises nearly eighty percent of the appendices and consists of reprints of arbitration rules from seven different national and international organizations which administer the arbitration process. As a repository for this collection of rules, Appendix A may function as a ready reference for comparison of the various arbitration rules. These rules are time-dated and so their value is limited.

Appendix B1 includes a sample ADR agreement which incorporates a two-step process for resolving disputes: minitrial followed by mediation. The rationale for this suggested sequence appears to be Arnold's contention that although foreign courts frown on arbitration of patent disputes, they do not seem concerned about settlement processes when decisions are reached through negotiation. The only shortcoming of this section is a lack of discussion of the issue of finding amicable parties to a lawsuit who are willing to calmly discuss an ADR contract. To his credit, in earlier chapters, Arnold encourages incorporation of ADR in contracts between par-

3. Arnold, *supra* note 1.

4. See, e.g., Florida Rules of Civil Procedure, §§ 10.010-10.290.

5. See, e.g., Green, Marks, & Olson, *Settling Large Case Litigation: An Alternative Approach*, 11 LOY. L.A. L. REV. 493 (1978); also see YAROSLAV SOCHYNSKY & MARIAN BAIRD, CALIFORNIA ADR PRACTICE GUIDE, fig. 31-2 at 31-7 (forthcoming 1992).

ties during their initial transactions as a mechanism to constructively manage conflict before a dispute escalates.

The pearl in this book is Appendix B2, "Mediation Outline." The twenty-one pages are a quick course on how to be a mediator. These pages provide a detailed outline of the stages of the mediation process and the techniques available to the mediator. Although not intended as a "how-to" course, this section of the book provides a road map for those who desire a better understanding of the process so they can anticipate and prepare for more effective representation of their clients. The page of verbatim text from the book *Getting to Yes*,⁶ however, was a distraction.

The binding arbitration chapter and the listing of arbitration rules make Arnold's work a basic arbitration handbook. The outline of the mediation process in the appendix is a concise primer. The book in general has significant weaknesses in format, structure, and content. On balance, Arnold's earlier article⁷ delivers as much substance as the text in this book and is more enjoyable reading.

6. ROGER FISHER & WILLIAM URY, *GETTING TO YES* (1981).

7. Arnold, *supra* note 1.

