Randall R. Rader, who last year became chief judge of the U.S. Court of Appeals for the Federal Circuit after two decades on the Washington, D.C.-based court that hears all patent appeals, says he needs to be "more careful" in his new role.

And then he starts talking anyway, which is when the fun starts.

Engaging and energetic, Rader, who looks at least a decade younger than his 61 years, is an entertaining speaker who relishes the chance to share his views - even if they might ruffle some feathers, from members of the U.S. Supreme Court to the judiciary in the Eastern District of Texas.

Rader makes his agenda clear. He wants more patent infringement lawsuits dismissed on summary judgment, and did so himself during a trip last year to Texas while sitting by designation as a district court judge.

He is also pushing for a more stringent economic analysis to justify high damage awards, and slashed a $186 million jury verdict to $53 million to Cornell University in 2009 after concluding the school's expert could not justify the larger amount. Cornell University v. Hewlett-Packard Co., 609 F.Supp.2d 279 [N.D. N.Y. 2009].

'We are working [together] with our counterparts overseas to consolidate and increase consistency, I'm not aware that this has ever happened before.'

DAVID KAPPOS, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY, U.S. PATENT AND TRADEMARK OFFICE
A lecturer at George Washington University Law School, from which he graduated in 1978, Rader comes across as ambitious in his goals for the Federal Circuit, which handles a wide range of appeals but is best known for patent matters.

"I have a bit of the professor in me," said Rader, whose parents were both teachers.

 Asked about the U.S. Supreme Court's ruling in eBay Inc. v. MercExchange LLC 547 US 388, a 2006 decision that reversed a longstanding Federal Circuit rule requiring a preliminary injunction against companies found to infringe in most cases, Rader does not hold back.

"Ebay is a sad misapplication of an effort to deal with the problem" of patent holding companies, known by critics as "trolls," suing defendants and getting large financial settlements, he said.

"It was an overreaction to the non-practicing entity problem," Rader added.

Of the Eastern District of Texas, where Rader spent time last year sitting as a district judge by designation, he said jurists in the patent litigation hotbed are too unwilling to dismiss weak cases or claims on summary judgment.

During his trip to Texas last spring, Rader dismissed on summary judgment four of the six patent cases he was assigned. A fifth case settled, and the only one to go to trial ended with a defense verdict after Rader rejected the testimony of a damages expert called by a subsidiary of Newport Beach-based Acacia Research Corp.

Judges in the Eastern District of Texas, he said, have a philosophy of allowing plaintiffs to take patent cases to trial, an assessment he delivered in a mock-Texas accent during an appearance last month at Santa Clara University School of Law.

"And that's why the Eastern District of Texas doesn't work," he remarked, after jokingly telling the packed law school classroom - including a reporter - that he would deny ever having said that. Rader gave a more polite version of the same assessment in an on-the-record interview before his lunch lecture.

Summary judgment "is against [the Eastern District of Texas judiciary's] culture," Rader told the Daily Journal. "But it can help get a quicker resolution."

What about false patent marking cases, in which plaintiffs sue companies that sell products with expired patent numbers? "That's a classic area of nonproductive litigation," Rader said. "This is just a burden on the system."

Rader's penchant for shooting from the lip already has gotten him into hot water, in a major case involving the patentability of human genes that is on appeal to the Federal Circuit. A New York federal judge ruled the patents were invalid.

Last spring, Rader attended a couple of conferences where the pending appeal was discussed, making remarks at both that seemed supportive of defendant Myriad Genetics Inc., according to
a motion filed by the American Civil Liberties Union, one of the plaintiffs, asking Rader to recuse himself. *The Association for Molecular Pathology v. U.S. Patent and Trademark Office, 2010-1406.*

At one conference, according to the motion, Rader called out a skeptical question to Daniel B. Ravitcher, a New York-based attorney with the Public Patent Foundation who opposes Myriad.

The court has deferred any decision on the matter until after press time, indicating Rader would decide what to do if he is appointed to the panel that decides the case.

"The danger is that anything you say can be used against you in a court of law," said Mark A. Lemley, a professor at Stanford Law School who also is a partner at San Francisco-based Durie Tangri LLP.

"But that kind of engagement is a good thing, not a bad thing," Lemley added.

Rader likes to listen as much as talk. During a luncheon last month with law professors and patent attorneys from Silicon Valley companies and law firms, he paid close attention as speakers debated how to determine reasonable royalties in patent litigation, a hotly disputed issue.

"This is one of the vital ways I get feedback," Rader said of his frequent travels and appearances at conferences all over the world. "It makes me a better judge."

Rader's admirers agree.

"He's an extraordinarily influential judge because he looks for opportunities to address these issues," said William C. Rooklidge, an Irvine-based partner at Jones Day LLP. "He's an opinion shaper, and has an enormous influence on how lawyers and judges think about these issues," Rooklidge added.

Rader enjoys his role as an ambassador of the court, and travels the country and the world, serving as a district court judge by designation in several cases that served as harbingers for significant changes in patent law. He is planning to lead the court on a trip to Japan later this year, and wants to follow up with a trip to China.

The chief judge wants to encourage other Federal Circuit judges, few of whom have any experience hearing any cases in district court, to follow his lead.

Rader is working with Under Secretary of Commerce for Intellectual Property David Kappos, who heads the U.S. Patent and Trademark Office, to lobby to "harmonize" the handling of patent law across the world.

"We are working [together] with our counterparts overseas to consolidate and increase consistency," Kappos said. "I'm not aware that this has ever happened before."
Rader knows the political ways of Washington, having served 13 years on Capitol Hill, first as counsel to several committees in the U.S. House of Representatives in the U.S. House of Representatives and then as chief counsel to subcommittees of the U.S. Senate Judiciary Committee, where he worked as an aide to U.S. Sen. Orrin Hatch, R-Utah.

A native of Portland, Oregon, Rader is married for the second time and has six children, three of whom are adopted. He is an enthusiastic sports fan and tennis player who, on trips to the Bay Area, plays with his friend, U.S. District Judge Ronald M. Whyte.

After a brief stint on the U.S. Claims Court, now known as the U.S. Court of Federal Claims, Rader was appointed to the Federal Circuit in 1990 by President George H.W. Bush.

Rader's ability to exert influence as chief judge is untested at this stage. He has been content, in the past, to dissent - as he did in the Federal Circuit's adoption of a "machine or transformation test" in determining patent eligibility that was subsequently overturned by the U.S. Supreme Court.

Now, he says his role is different, and takes pride in a letter the court wrote unanimously to Congress asking for retention of a rule requiring all Federal Circuit judges to live within a 50-mile radius of Washington.

Rader had a different position before, but said he has changed his mind. "My job as chief judge is to forge consensus," Rader said.

Rader biggest influence in recent years has been over the debate on patent damages. Proposed legislative reforms were stymied for years because of a dispute between pharmaceutical companies that want to preserve the current system and big money payouts and large technology companies that often are sued for infringement and hope to limit high awards.

Federal Circuit judges - including Rader's predecessor as chief judge, Paul Michel - have urged Congress to leave the damages issue to the courts. And Rader has made it his own, much to the delight of defendants in patent cases.

"He's been incredibly influential in the damages area because of his energy and interest in that topic," said Edward R. Reines, a Redwood Shores-based partner with Weil, Gotshal & Manges LLP.

Rader, in his role as a district court judge sitting by designation and on the Federal Circuit, has taken an increasingly skeptical view of damage awards based on the "entire market value rule," which calculates damages based on sales of infringing products that include the patented invention as long as they are the basis for customer demand.

The 2009 Cornell case, which slashed a damages award against Hewlett-Packard Co. over a method to increase a computer's performance, was a prominent example.
Rader blasted the damages expert for Cornell University, saying the plaintiff failed to provide "a single demand curve or any market evidence indicating that Cornell's invention drove demand" for Hewlett-Packard's product.

In January, Rader was a member of the panel that eliminated the "25 percent" rule that has guided courts in calculating reasonable royalty rates. The court affirmed a jury's finding Microsoft Corp. infringed an Irvine-based Uniloc's patent on a software registration system, but rejected a $388 million award that was based on 25 percent of the value of infringed component, multiplied by the number of items sold.

"This court now holds as a matter of Federal Circuit law that the 25 percent rule of thumb is a fundamentally flawed tool for determining a baseline royalty rate in a hypothetical negotiation," wrote Circuit Judge Richard Linn in a unanimous decision. The case was sent back to district court for a new and presumably lower - damages determination. *Uniloc USA Inc. v. Microsoft Corp.*, 2010-1035.

At an intellectual property conference last month sponsored by USC Gould School of Law, one of the seminars on patent damages and reasonable royalties might as well have been subtitled, "What Does Chief Judge Rader Want?"

Edward G. Poplawski, a Los Angeles-based partner with Sidley Austin LLP who argued Cornell's case and was on the USC panel, said Rader is trying to force litigators to base reasonable royalty awards on "solid economic proof."

U.S. District Judge T. John Ward, of the Eastern District of Texas, was on the same panel and expressed some frustration with the Federal Circuit's failure to provide guidance on reasonable royalty awards.

But he acknowledged Rader's impact.

"You would be foolish at this point in your career not to salute what Chief Judge Rader said," Ward said.

Michael A. Jacobs, a San Francisco-based partner with Morrison & Foerster, said it is "a little unclear whether this demand for analytical support [for damage awards] is another way of saying, 'Damages are too high.'"
Chicago Lawyers take pride in the recent appointments to the local federal bench, but they're especially impressed with Edmond Chang, who has tackled a number of difficult cases with composure since he became a U.S. district court judge in December 2010.

Earlier this year, Chang denied FedEx Corporation's motion for summary judgment in a failure to accommodate claim brought by employee Eric Weathers, a self-described conservative evangelical Christian. According to Chang's decision, the company "instructed Weathers that he could not discuss religion even at the prompting of a coworker," arguing in court that it wasn't required "to permit Weathers to create a hostile working environment for others in order to accommodate his beliefs." Chang called that argument "dubious," adding, "To suggest that Weathers could not be accommodated without creating a hostile work environment overstates the nature of Weathers's requests for clarification." The two parties came to a settlement in May.

And in *Jane Doe v. Village of Arlington Heights*, Chang ruled that a female teenage minor could not sue the police officer who, after responding to a 911 call about teenagers who were drinking and smoking, left her with three underage males who later sexually assaulted her. When other police officers responded to a second 911 call, they found one of the males raping the girl. In her suit, the girl claimed that the first officer violated her Fourth and Fourteenth Amendment rights by failing to adequately investigate the first 911 complaint. In a March ruling, Chang dismissed the claim, writing that the officer "neither created nor increased the danger." The Constitution is intended to limit government intervention, Chang wrote, not to require it.

Four Chicago litigators who spoke to us about Chang used words like "outstanding" and "universally well-respected" to describe the judge. "He truly is the nicest guy you'll meet," says one lawyer who also knew him as an assistant U.S. attorney. Chang is still relatively young for a federal judge, this lawyer says, adding, "He's got an unlimited future."

Chang is the first Asian American federal district court judge to serve in Chicago. After graduating from Northwestern University School of Law in 1994, he clerked for Judge James Ryan of the U.S. Court of Appeals for the Sixth Circuit, and then worked as an associate at Sidley Austin. Chang joined the Chicago U.S. attorney's office as an assistant in 1999. He later served as deputy chief of the general crimes unit and chief of appeals for the criminal division.
Paul Engelmayer

COURT: SOUTHERN DISTRICT OF NEW YORK
AGE: 51
CONFIRMED: JULY 2011
APPOINTED BY: OBAMA

Since he joined the Manhattan federal bench in July 2011, Paul Engelmayer's docket has been bursting with typical New York City cases: lots of securities and white-collar crime, a touch of intellectual property, and a dash of civil rights. In perhaps his most significant decision, Engelmayer ruled the past July in favor of the American Freedom Defense Initiative, which opposes a planned mosque and Islamic center near the World Trade Center. The initiative sued the Metropolitan Transportation Authority for refusing to post its advertisements — which depicted radical Muslims as savages — on the exteriors of New York City buses. Engelmayer said that while the MTA's policy of prohibiting demeaning ads was well intentioned, the authority had violated the initiative's right to free speech.

Engelmayer has issued other "only in New York" rulings. In one controversial October 2011 decision, he declared that New York bus drivers had to assist city police in transporting Occupy Wall Street protestors who were arrested at the Brooklyn Bridge. He also decided that the Second Avenue Deli could continue to sell its Instant Heart Attack Sandwich, even though a national restaurant chain had trademarked the name.

Nine high-profile attorneys who have either appeared before Engelmayer or worked alongside him during his career used comments like "brilliant," "efficient," and possessed of a "strong desire to enforce the law" when talking to us about the judge. One of these attorneys adds, "I would be amazed if he is not on a short list of people who could be elevated to the Second Circuit."

Engelmayer worked as a staff reporter for The Wall Street Journal before graduating from Harvard Law School in 1987. He clerked for U.S. Supreme Court Justice Thurgood Marshall, and then served as an assistant in the U.S. attorney's office in Manhattan. In 1994 he joined the office of then – U.S. Solicitor General Drew Days. During his time as assistant SG, Engelmayer argued four cases before the Supreme Court and won three, including Yamaha v. Calhoun, which involved a 12-year-old girl killed in a Jet Ski collision. The court considered whether persons not employed in maritime jobs could win tort remedies from the government for fatalities in U.S. waters.

In 1996 Engelmayer returned to the Manhattan U.S. attorney's office to run the Major Crimes Unit. In his most high-profile case, he successfully prosecuted Autumn Jackson, who threatened actor Bill Cosby with the claim that she was his illegitimate daughter and attempted to extort $40 million from him. From 2000 to 2011, Engelmayer was a partner at Wilmer Cutler Pickering Hale and Dorr, where he handled white-collar criminal, government, and securities litigation.
In her 20 years as a litigator at Cravath, Swaine & Moore, Katherine Forrest made a name for herself arguing intellectual property cases for major entertainment companies. But Forrest's biggest case since joining the Manhattan federal bench in October 2011 has been on an altogether different matter: a provision in the National Defense Authorization Act of 2012 that gives the president the power to detain suspected terrorists indefinitely without trial.

A group of plaintiffs led by Pulitzer Prize–winning journalist Chris Hedges filed suit against the law in January 2012, claiming that they themselves could be at risk for detention simply by communicating with suspected terrorists. Forrest agreed, and on September 12 issued a permanent injunction blocking enforcement of the detention provision. She wrote that the government had not made an adequate case for its necessity. She also noted that one of the standards for injunctive relief had been met, since "imprisonment without trial and for an indefinite period certainly constitutes irreparable harm." (The government immediately announced an emergency appeal to the Second Circuit.)

While Forrest gained attention for her NDAA ruling, lawyers who have appeared before her say that she's the intellectual property expert to watch in the Southern District of New York. She has heard or is hearing disputes between software developer DataTern Inc. and SAP AG; between legal publisher John Wiley & Sons Inc. and users of BitTorrent, the peer-to-peer file sharing service; and between nearly identically named New York group messaging start-ups Groupme, Inc. (recently acquired by Skype Inc.) and Groupie LLC.

One attorney calls Forrest the most impressive judge of his experience. "She's take-charge, and she moves cases forward," this litigator says. (He and the other lawyers who spoke to us about Forrest asked to remain anonymous.) Another Manhattan litigator who has appeared before Forrest says, "She had incredible command of the material."

Forrest joined Cravath after graduating from New York University School of Law in 1990. She made partner in 1998, handling commercial, antitrust, copyright, and digital media litigation. She won a favorable ruling for Arista Records LLC and other record companies in their copyright infringement suit against Lime Group LLC in 2010. She left Cravath in 2010 to become a deputy assistant attorney general for the U.S. Department of Justice's antitrust division, where she oversaw litigation planning for criminal and civil enforcement.
James Rodney Gilstrap

COURT: EASTERN DISTRICT OF TEXAS
AGE: 55
CONFIRMED: DECEMBER 2011
APPOINTED BY: OBAMA

Though the Eastern District of Texas used to be the busiest patent venue in the country, in recent years it's lost ground to other courts. That's why local lawyers are looking to Judge James Rodney Gilstrap to help the district regain its lead. The newest judge on our list, Gilstrap joined the federal bench in December 2011. Presiding in Marshall, Texas, he took over the docket of former judge T. John Ward, who had the biggest patent caseload in the Eastern District. While Ward was once known for having a "rocket docket" for getting patent cases to trial within a year, the pace slowed as his reputation grew, according to local lawyers. "The docket became so popular that it pushed back the time to trial," says Carl Roth of Roth Law Firm in Marshall.

One of the steps in patent cases, the claims construction hearing, can take up to six months to be resolved. Michael Smith, a partner at Siebman Burg Philips & Smith in Marshall, says that Gilstrap is trying out different ways to speed up this stage. On his second day on the bench, the judge held a claims construction hearing in an infringement suit brought by Charles E. Hill & Associates Inc. against ABT Electronics Inc. over three different electronic patents. Nineteen days later — which included the Christmas holiday — Gilstrap issued a 36-page opinion in the suit.

In April, Gilstrap announced a policy in which he said that he aimed to get patent cases to trial within 14 months. Though he had only tried two patent cases to a verdict at press time, he has adapted to the complex docket very quickly. According to local attorneys, the judge's clerks have been lawyers with experience in patent cases — which has helped Gilstrap hit the road running. Another one of his early strengths: his courtroom decorum. Local attorneys say that while it normally takes judges time to learn how to send signals to lawyers, Gilstrap has already got it down. "He does not expect counsel to act like bickering children," Roth says.

After earning his J.D. from Baylor University in 1981, Gilstrap worked as an associate in Abney Baldwin & Searcy in Marshall until 1984, when he left to cofound his own firm, Smith & Gilstrap. He handled a wide range of matters there, including oil and gas, real estate, and probate law. Prior to joining the bench, Gilstrap had a few patent cases, including representing Bluestone Innovations Texas in a suit brought against various foreign companies over LED technology, and defending Capital One Financial Corp. in a suit brought by LML Patent Corp. against a number of large banks over patents on payment services.
Liam O'Grady

Liam O'Grady joined the bench relatively late in his career — he already had 28 years of experience as a state and federal prosecutor, intellectual property attorney, and federal magistrate judge when he became a U.S. federal district court judge in Alexandria, Virginia, in July 2007. But his unique combination of expertise in criminal cases and IP litigation has proven useful in his district, which is a hot spot for government cases as well as patent suits.

The biggest case on O'Grady's current docket is a criminal case against Kim Dotcom, the founder of Megaupload Limited. Local prosecutors charge that the hugely popular cloud storage service allowed its users to store pirated copies of movies, music, and other digital data. The prosecution is on hold until a New Zealand court rules on whether Dotcom can be extradited to the United States.

In the meantime, O'Grady must decide what to do with 25 million gigabytes of data stored by Megaupload on servers at a Virginia hosting facility. Prosecutors say that they don't care what happens to the servers, but attorneys for Megaupload and some of its customers have asked for access to the data. In April, O'Grady ordered that the servers be maintained until the parties reached a settlement in which users could retrieve their data. (Negotiations were continuing at press time.)

O'Grady also had to deal with new technology issues in a case stemming from the government's investigation last year into the WikiLeaks scandal. In their effort to gather information on three activists who had tweeted about their support for WikiLeaks, prosecutors asked Twitter Inc. to turn over the Internet addresses of devices used by the three, as well as data about the people with whom they had communicated. The activists argued that the government needed a search warrant to get this information from Twitter. O'Grady disagreed, ruling last November that the three "voluntarily chose to use Internet technology to communicate with Twitter and thereby consented to whatever disclosures would be necessary to complete their communications."

O'Grady graduated from George Mason School of Law in 1977. In 1982 he became an assistant commonwealth's attorney for Virginia, handling homicide, rape, and robbery cases. Four years later, he became an assistant in the U.S. attorney's office for the Eastern District of Virginia, where he worked on the drug and organized crime drug task forces. In 1992 he joined Finnegan, Henderson, Farabow, Garrett & Dunner, where he handled patent, trademark, copyright, and trade secrets cases. From 2003 to 2007, he was a federal magistrate judge.
Judge Richard Sullivan took a tough stand when it came time to set bail for Bernie Madoff's right-hand man at an August 2009 hearing. Frank DiPascali had pled guilty to 10 charges, including aiding and abetting, conspiracy, money laundering, perjury, income tax evasion, and several counts of fraud. But he had also cooperated extensively with prosecutors, who recommended that DiPascali be released on $2.5 million bail until his sentencing. Sullivan, however, said no. "In light of the fact for decades that he made false statements to people that entrusted him with their life savings, I am not going to trust him with his life savings," the judge explained. "I am just hoping he shows up to court." DiPascali (who at press time had yet to be sentenced) spent almost a year in jail before Sullivan agreed to free him on $10 million bail.

Sullivan was on familiar ground in the case, since he had previously been a federal prosecutor who worked on cases involving drug dealers, corrupt bankers, and other criminals. Six attorneys who spoke to us about the judge described him as fair, intelligent, and prepared. "Richard Sullivan is a superstar," says one partner at a Wall Street firm who declined to be named because he appears before Sullivan regularly. "He's extremely bright, and he writes very well-written opinions. He's conscientious, works incredibly hard, and he's got good judgment."

The judge, who joined the Manhattan bench in August 2007, is currently pushing other significant cases through his docket. This past August, Sullivan froze $6 million in assets of Well Advantage Limited and other unknown traders accused by the Securities and Exchange Commission of insider trading in a $15 billion deal to acquire a Canadian oil and gas company. Sullivan is also hearing a case in which Capitol Records LLC alleges that its copyrights have been violated by Redigi Inc. because the cloud storage service allows its users to buy pre-owned digital music files. At press time the judge was set try the case in October. He will have to decide whether people who possess copyrighted digital material have the right to sell it, as owners of other forms of copyrighted material do under the first-sale doctrine.

After graduating from Yale Law School in 1990, Sullivan joined Wachtell, Lipton, Rosen & Katz as an associate. In 1994 he became an assistant in the Manhattan U.S. attorney's office, where he headed the General Crimes Unit, and later helped found the International Narcotics Trafficking Unit. In 2005 he joined the law department of Marsh & McLennan Companies, eventually becoming general counsel of subsidiary Marsh Inc.
Amul Thapar

COURT: EASTERN DISTRICT OF KENTUCKY
AGE: 43
CONFIRMED: DECEMBER 2007
APPOINTED BY: BUSH

Sitting in the Kentucky town of London (with a population of 10,000), Judge Amul Thapar doesn't handle many matters that draw attention outside his district. But two years ago, a case involving a huge coal mine operator brought him into the national eye.

Massey Energy Company was already in the headlines for an April 2010 explosion at one of its mines in West Virginia that killed 29 workers. The government intensified its scrutiny of Massey's other operations, especially the Freedom Mine No. 1 in Pike County, Kentucky, where regulators had found thousands of safety violations, including explosive methane leaks, rock falls, and unstable ceilings. In November 2010 the U.S. Department of Labor filed a rare claim for injunctive relief in which it essentially asked the court to seize and supervise the Freedom mine. Massey responded by filing a motion in which it asked Thapar to dismiss the case. The company maintained that the department's request for an injunction was premature since it hadn't tried other less serious enforcement actions first.

"Not so," Thapar wrote in a December order in which he turned down Massey's motion to dismiss. "The secretary [of Labor] can come to court to eliminate the 'continuing hazard' without trudging through a series of administrative procedures." Three weeks after Thapar's ruling, Massey reached a settlement with the Labor Department in which it agreed to strict oversight of the mine's closure.

Former U.S. Solicitor General Gregory Garre is one of several lawyers we talked to who had praise for Thapar. "His writing is superb," says Garre, now a partner in the Washington, D.C., office of Latham & Watkins. "He tends to have a scholarly and commonsense approach to legal issues. It compares well with the best writers on the appellate courts." Thapar has taught at several law schools, including those at the University of Cincinnati, Vanderbilt University, the University of Virginia, Georgetown University, and Northern Kentucky University.

After receiving his J.D. from the University of California, Berkeley, in 1994, Thapar clerked for Judge Nathaniel Jones of the U.S. Court of Appeals for the Sixth Circuit. He joined Williams & Connolly as an associate in 1997, leaving two years later to become an assistant U.S. attorney, first in Washington, D.C., then in Cincinnati. In both cities, his practice focused on criminal prosecution: sex crimes, public corruption, and white-collar crime. In 2006 he became U.S. attorney for the Eastern District of Kentucky, based in Lexington. He established a prison litigation unit, and set up a violent crime and child predator unit. Born to Indian American parents in Detroit, Thapar is the first person of South Asian descent to be confirmed as an Article III judge.