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RECENT DEVELOPMENTS

ADMINISTRATIVE LAW — CIVIL RIGHTS ACT OF 1871 — EXHAUSTION DOCTRINE — EXHAUSTION OF STATE ADMINISTRATIVE REMEDIES HELD TO BE A PREREQUISITE TO ACCESS TO A FEDERAL FORUM EVEN THOUGH SUIT WAS BROUGHT PURSUANT TO THE CIVIL RIGHTS ACT.

*Metcalf v. Swank* (7th Cir. 1971)

Plaintiff initiated a class action1 pursuant to the Civil Rights Act of 18712 challenging the constitutionality of an Illinois statute imposing a

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1. The Federal Rules of Civil Procedure provide for a class action suit if it meets four specific prerequisites:

   (1) [T]he class is so numerous that joinder of all members is impracticable,
   (2) [T]here are questions of law or fact common to the class,
   (3) [T]he claims or defenses of the representative parties are typical of the claims or defenses of the class, and
   (4) [T]he representative parties will fairly and adequately protect the interests of the class.


Having satisfied these prerequisites, the plaintiff must then satisfy any one of the following three requirements of Rule 23(b):

(1) [T]he prosecution of separate actions by or against individual members of the class would create a risk of

   (A) inconsistent or varying adjudications with respect to individual members of the class which would establish incompatible standards of conduct for the party opposing the class, or
   (B) adjudications with respect to individual members of the class which would as a practical matter be dispositive of the interests of the other members not parties to the adjudications or substantially impair or impede their ability to protect their interest; or

(2) [T]he party opposing the class has acted or refused to act on grounds generally applicable to the class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the class as a whole; or

(3) [T]he court finds that the questions of law or fact common to the members of the class predominate over any questions affecting only individual members, and that a class action is superior to other available methods for the fair and efficient adjudication of the controversy.


The named plaintiff in this action represented all those Illinois public assistance recipients who had large families and who lived in inadequate housing costing more than $90.00 per month. The statute involved makes a broad classification which covers those persons in need of public assistance. The plaintiff, however, did not challenge that broad classification but rather the sub-classification which was created by the inclusion of the shelter allowance maximum of $90.00 per month. See note 3 infra.


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maximum shelter allowance of $90.00 per month for those on public assistance. A three-judge district court held the statute constitutional on its face and remanded the case to a single district judge. Plaintiff filed an amended complaint, challenging the constitutionality of the statute on its face and as applied, and as violative of state law. The district court dismissed all of plaintiff’s allegations, and plaintiff appealed.

The Court of Appeals for the Seventh Circuit affirmed the lower court’s action, holding, inter alia, that it was not a proper case in which to make an exception to the usual requirement necessitating plaintiff’s exhaustion of state administrative remedies before proceeding into a federal forum. Metcalf v. Swank, 444 F.2d 1353 (7th Cir. 1971).

The Civil Rights Act of 1871 created a civil action for damages and equitable relief against any person acting “under color of” state law who deprives another of the rights, privileges, or immunities secured by the Constitution or federal laws. The Civil Rights Acts promulgated in

within the jurisdiction of the United States to the deprivation of any rights, privileges, or immunities secured by the Constitution of the United States, shall, any such law, statute, ordinance, regulation, custom, or usage of the State to the contrary notwithstanding, be liable to the party injured in any action at law, suit in equity or other property proceeding for redress.


Named as defendants were the directors of the Department of Public Aid who were charged with the enforcement of the Illinois Public Aid Code. The plaintiff alleged that the statute was unreasonable and arbitrary, thereby violating the equal protection clause of the fourteenth amendment. Therefore, as provided for in 42 U.S.C. § 1983, the defendant directors in the discharge of their duties and acting under color of state law were sued. The defendants were clearly within the purview of the statute. In the landmark decisions of United States v. Classic, 313 U.S. 299 (1941), and Screws v. United States, 325 U.S. 91 (1945), both cases involving 18 U.S.C. § 242, the criminal counterpart to section 1983, the Supreme Court held that those conferred with power by virtue of a state law, or clothed with the authority of state law were acting “under color of” law as necessitated by the statute.

3. ILL. REV. STAT. ch. 23, § 12–4.11 (1967). The statute refers to the public assistance shelter allowance and provides:

The shelter standard for any recipient, exclusive of household furnishings and utilities, shall not exceed $90.00 per month, except for adjustments made in the manner authorized by § 12–14.

ILL. REV. STAT. ch. 23, § 12–14 (1967), provides that the Illinois Department of Public Aid may, after consultation with the Legislative Advisory Committee on Public Aid, authorize exceptions from the $90.00 limitation.

4. Metcalf v. Swank, 293 F. Supp. 628 (N.D. Ill. 1968). The court held that due to the statutory provisions for exceptions to the $90.00 maximum on the basis of need, and in accord with the stated purposes of the Public Aid Code, the statute is constitutional on its face. See note 3 supra.

5. Count I of the amended complaint renewed the constitutional challenge to the statute on its face. Count II challenged the application of the statutory provisions, and Count III challenged the provisions on state law grounds. Metcalf v. Swank, 444 F.2d 1353, 1355 (7th Cir. 1971).

6. Metcalf v. Swank, 305 F. Supp. 785, 791 (N.D. Ill. 1969). The district court dismissed Count I as already ruled on by the three-judge court; Count II was dismissed for failure to exhaust state administrative remedies; and Count III was dismissed due to lack of pendent jurisdiction following dismissal of Count II.

7. 444 F.2d at 1359. In addition, the court held that it was proper to dismiss for plaintiff’s failure to state a cause of action.

8. See note 2 supra.

response to the thirteenth, fourteenth and fifteenth amendments, were originally designed to guarantee certain fundamental rights to the emancipated Negro. Only section one of the 1871 Act achieved any success in subsequent years, and that success has been only recently apparent.

Generally, in order to proceed into a federal forum and regardless of whether the suit is pursuant to the Civil Rights Act, it has been consistently held that the plaintiff must first exhaust his administrative remedies. Attempts to circumvent the rigidity of the exhaustion doctrine have produced several exceptions. One such exception states that if there is no administrative remedy available, then the exhaustion doctrine is inapplicable. Other courts have held that if, in pursuing an administrative remedy, it appears that such pursuit is futile, then exhaustion...


10. All of these amendments contained clauses giving Congress the power to pass legislation in support of their policy. In response, Congress passed the Civil Rights Acts. See note 9 supra.

11. See Note, The Civil Rights Act of 1871: Continuing Vitality, 40 NOTRE DAME LAW. 70, 71 (1964). In this note, the author points out that the Supreme Court effectively limited the purposes of the post-Civil War amendments and legislation by the Civil Rights Cases, 109 U.S. 3 (1883), and the case of United States v. Cruikshank, 92 U.S. 542 (1875), where it was held that the amendments were directed only against "state action" rather than against action by private individuals. In a series of Supreme Court cases, Screws v. United States, 325 U.S. 91 (1945), United States v. Classic, 313 U.S. 299 (1941), and Hague v. CIO, 307 U.S. 496 (1939), the Court broadened the application of section 1983 and its criminal counterpart section 242, and concluded that one having authority of state law and subsequently misusing that power is acting "under color of" state law and within the meaning of the statute. These cases permitted greater acceptance of section 1983, and this acceptance was "evidenced by the scores of claims appearing in the federal courts during the 1950's." Note, supra at 71-72. See generally Gressess, The Unhappy History of Civil Rights Legislation, 50 MICH. L. REV. 1323 (1952).

12. Myers v. Bethlehem Shipbdg. Corp., 303 U.S. 41, 50-51 (1938). In Myers, the Court stated that "no one is entitled to judicial relief for a supposed or threatened injury until the prescribed administrative remedy has been exhausted." See Natural Gas Pipeline v. Slattery, 302 U.S. 300, 310-11 (1937). One reason given in support of the exhaustion doctrine is that it should be viewed as part of the comity doctrine. See Prentis v. Atlantic Coast Line Co., 211 U.S. 210 (1908).

13. The exhaustion doctrine requires a plaintiff to exhaust all state remedies before proceeding into a federal forum. This doctrine should not be confused with the abstention doctrine whereby a federal court may decide not to hear a particular case even though it has jurisdiction. The abstention doctrine is usually invoked to: (1) avoid decision of a federal constitutional question of state law; (2) avoid needless entanglement in complex state regulatory schemes; and (3) allow the state courts an opportunity to give constitutionally questionable statutes saving constructions when such state remedy is available. For a thorough analysis of the abstention doctrine, see Wright, The Abstention Doctrine Reconsidered, 37 TEXAS L. REV. 815 (1959); Note, Federal-Question Abstention: Justice Frankfurter's Doctrine in An Activist Era, 80 HARV. L. REV. 604 (1967).

14. See State Corp. Comm'n v. Wichita Gas Co., 290 U.S. 561 (1934) (held that it was not necessary to seek judicial review in state court of an order by a state public service commission before proceeding into federal court); March v. School Bd., 305 F.2d 94, 98-99 (4th Cir. 1962); Farley v. Turner, 281 F.2d 131 (4th Cir. 1960) (held, with respect to school desegregation question, that since the available administrative remedy was inadequate, it was unnecessary to exhaust prior to action in federal forum); Kelly v. Board of Educ., 159 F. Supp. 272 (M.D. Tenn. 1958) (held that exhaustion doctrine is inapplicable if there is no adequate administrative remedy). See also 3 C. DAVIS, ADMINISTRATIVE LAW TREATISE § 20.07, at 655-6 (Supp. 1970); L. JAFFE, JUDICIAL CONTROL OF ADMINISTRATIVE ACTION 446-49 (1965).

tion will not be required before access to a federal forum will be permitted. For purposes of discussion in connection with the instant case, however, the focus is not on the broad classification of the exhaustion doctrine, but rather on a sub-classification within that doctrine; namely, the requirement that one exhaust state administrative remedies before proceeding into a federal forum.

The pervasiveness of the exhaustion of state remedies doctrine, as applied to cases under the Civil Rights Act, has been seriously challenged only within the last ten years. The first case seemingly to break with the established rule was Monroe v. Pape, in which the Supreme Court held that the Civil Rights Act gave the plaintiff a right of immediate access to a federal forum, regardless of any available state remedies. The Court stated that "[t]he federal remedy is supplementary to the state remedy, and the latter need not be first sought and refused before the federal one is invoked." Two years later in McNeese v. Board of Education, the Court, quoting from Stapelton v. Mitchell, said:

We yet like to believe that wherever the Federal courts sit, human rights under the Federal Constitution are always a proper subject for adjudication, and that we have not the right to decline the exercise of that jurisdiction simply because the rights asserted may be adjudicated in some other forum.

Monroe and McNeese did not, however, settle the question of exhaustion. Even after those decisions, while some courts interpreted them as extinguishing the remaining vitality of the exhaustive doctrine under the Civil

18. 365 U.S. 167 (1961). The Monroe Court, reversing the lower court's dismissal of petitioner's complaint, held that a complaint alleging an illegal search and detention of petitioner by the Chicago police force was sufficient to maintain a cause of action under section 1983.
19. 365 U.S. at 183.
20. Id.
21. 373 U.S. 668 (1963). The lower court had dismissed petitioner's complaint, which alleged segregation in an Illinois public school, due to the failure of petitioner to exhaust available state administrative remedies. However, the administrative officers were only empowered to recommend the institution of state judicial proceedings, and a full litigation would be necessary for enforcement if the recommendation were not followed. The Court cited Monroe for the proposition that "relief under the Civil Rights Act may not be defeated because relief was not first sought under state law which provided a remedy." Id. at 671. The Stapelton court held that an action to enjoin the enforcement of the 1943 Kansas Labor Law as interfering with free speech, press and assembly was within the original jurisdiction of the federal court under the Civil Rights Act.
22. 60 F. Supp. 51 (D. Kan. 1945). The Stapelton court held that an action to enjoin the enforcement of the 1943 Kansas Labor Law as interfering with free speech, press and assembly was within the original jurisdiction of the federal court under the Civil Rights Act.
Rights Act, others did not interpret them to go so far. When the exhaustion question arose again in 1967, the Court, in *Damico v. California*, summarily rejected the exhaustion requirement, citing *Monroe* and *McNeese* as controlling. Similarly, in *King v. Smith* and *Houghton v. Shafer*, the Court reached the decision that exhaustion was not


25. Some courts have viewed *Monroe* and *McNeese* as not laying down a broad principle including all areas of Civil Rights litigation. See, e.g., *Wright v. McMann*, 257 F. Supp. 739 (N.D.N.Y. 1966) (elimination of exhaustion requirement limited to school segregation cases, rejected on other grounds, 387 F.2d 519 (2d Cir. 1967) (the state remedy was inadequate). Other courts have determined that the *Monroe* and *McNeese* decisions are applicable only where the state remedies were inadequate. See, e.g., *Toney v. Reagan*, 326 F. Supp. 1093 (N.D. Cal. 1971), where the court held that a state administrative remedy which purports to provide relief for an already accomplished deprivation of civil rights need not be pursued before resort to the federal courts is permitted. However, a state administrative procedure which is designed to forestall a threatened deprivation of civil rights, for example a grievance procedure, must be exhausted before resorting to the federal courts under the Civil Rights Act, provided only that the grievance procedure is fair and adequate for the purpose. See also *Dale Book Co. v. Leary*, 389 F.2d 40, 42 (3d Cir. 1968) (dictum); *Potwora v. Dillon*, 386 F.2d 74 (2d Cir. 1967) (dictum); *Birnbaum v. Trussell*, 371 F.2d 672, 680 (2d Cir. 1966) (Hays, J., concurring); *Christmas v. Board of Educ.* 231 F. Supp. 331, 339 (D. Md. 1964). See generally K. Davis, supra note 14, at 663-64.

26. 389 U.S. 416 (1967). *Damico* involved a suit by welfare recipients challenging a provision under the California Aid to Families with Dependent Children Program requiring a three-month waiting period after the father's desertion before benefits could be received. The lower court dismissed the complaint on the basis that the plaintiffs had failed to exhaust adequate state administrative remedies. In a three-paragraph opinion, the Supreme Court reversed and summarily rejected the requirement to exhaust. The Court stated:

The three-judge District Court dismissed the complaint solely because 'it appeared to the Court that all of the plaintiffs (had) failed to exhaust adequate administrative remedies.' This was error. In *McNeese* .... noting that one of the purposes underlying the Civil Rights Act was 'to provide a remedy in the federal courts supplementary to any remedy any State might have,' we held that 'relief under the Civil Rights Act may not be defeated because relief was not first sought under state law which provided (an administrative) remedy.'

*Id.* at 416-17 (citations omitted; parentheses appear in original).

27. 392 U.S. 309 (1968). *King* was a class action suit by claimants under the Alabama Aid to Families with Dependent Children Program (AFDC) challenging the constitutionality of the Alabama "substitute father" regulation denying AFDC payments to the children of a mother who "cohabits" in or outside her home with an able-bodied man. The Court stated:

We reject appellants' argument that appellees were required to exhaust their administrative remedies prior to bringing this action. .... Decisions of this Court .... establish that a plaintiff in an action brought under the Civil Rights Act is not required to exhaust administrative remedies, where the constitutional challenge is sufficiently substantial, as here, to require the convening of a three-judge court ....

*Id.* at 312 n.4 (citations omitted).

28. 392 U.S. 639 (1968). *Houghton* was an action brought by a Pennsylvania state prisoner claiming that prison authorities had violated his rights under section one of the Civil Rights Act of 1871 by depriving him of his legal materials. The district court dismissed the complaint on the ground that petitioner had not exhausted certain
required. The King Court noted that prior decisions of the Supreme Court have established that a plaintiff in an action brought under the Civil Rights Act is not required to exhaust his administrative remedies, at least where the constitutional challenge is sufficiently substantial to require the convening of a three-judge court. In Houghton, the Court reasoned that resort to these administrative remedies is unnecessary in light of its decisions in Monroe, McNeese, and Damico. In spite of the broad interpretation given these Supreme Court decisions by some courts, the remaining vitality of the exhaustion doctrine under the Civil Rights Act remains unclear.

In analyzing the question of exhaustion in the instant case, the Metcalf court did not find a complete abrogation of the exhaustion requirement in Civil Rights Act cases, but rather found "only a pattern of flexibility in imposing the exhaustion requirement in this special area." To support the contention that exhaustion of state administrative remedies is no longer required for suits properly brought under the Civil Rights Act, plaintiff relied on a series of Supreme Court cases which she argued clearly established that the exhaustion doctrine has been abandoned in the special area of civil rights. The court, however, refused to follow plaintiff's rationale, but found that the cases relied on presented distinct factual situations which were incapable of being interpreted to establish any broad principle eliminating the exhaustion requirement under the Civil Rights Act.

In refusing to grant plaintiff's requests, the Seventh Circuit distinguished individually each of the cases upon which the plaintiff placed her reliance. The court stated that Monroe and McNeese were merely restatements of the generally accepted rule which provides that the exhaustion


Actions under the Civil Rights Act generally are of a very grave concern in that they are charging a violation of one's constitutional rights due to some action either by the state or under the authority of the state. Since the protection of one's constitutional rights is held sacred to a greater extent than any other rights in our society, making an exception to the exhaustion doctrine in this special area is understandable. When the nature of the rights involved in a civil rights action are combined with the procedural aspects of a class action, as was present in the instant suit, it can be easily seen that this area might indeed deserve special attention. Coupling these elements presents a strong policy argument whereby a court might consider circumventing or eliminating the requirement of exhaustion when a constitutional infringement is alleged.
The interpretation afforded to *Monroe* and *McNeese* is in keeping with the general hesitancy of courts to circumvent the exhaustion doctrine. It is possible, however, to validly reach a different conclusion in

36. 444 F.2d at 1356-58. Most courts are willing to circumvent the usual exhaustion doctrine if the statute provides remedies of a state judicial nature. *Compare* Prentis v. Atlantic Coast Line Co., 211 U.S. 210 (1908) (remedy was considered administrative and exhaustion was required), *with* Bacon v. Rutland R.R., 232 U.S. 134 (1914) (remedy was judicial and exhaustion was not required).

37. In *Monroe*, the violation occurred due to illegal actions of the Chicago police and there was no administrative remedy available. To obtain relief at the state level, the plaintiff would have had to seek state judicial remedies.

38. 444 F.2d at 1355.

39. *Id.* The available administrative remedy in *McNeese* was as follows: Fifty residents of a school district, or 10 per cent whichever was less, could file a complaint with the Superintendent of Public Institutions alleging racial segregation. The superintendent would then list the complaint for a hearing. If he then decided that the allegations were "substantially" accurate, he could request the Illinois Attorney General to bring suit in a state court. Apparently, the *Metcalfl court maintained that even if the Attorney General were to comply with the request, the true remedy would be judicial and not administrative in nature. Therefore, the *Metcalfl court determined that *McNeese* was only an extension of the non-exhaustion doctrine in cases involving judicial remedies. It should be noted, however, that if the superintendent determined that the complaint was not substantially accurate, then the plaintiff would have exhausted the available administrative remedies and would be able to bring suit in a federal forum. It is suggested that this leads to an impractical dichotomy. If one were to follow the *Metcalfl court's reasoning, it would seem that when the superintendent rules in favor of the complainant, the remedy is judicial, but if he rules against the complainant, then the remedy is administrative. Consequently, if the remedy is judicial, exhaustion would not be necessary; but if it is administrative, then exhaustion will be required. Since a plaintiff in the facts given in *McNeese* could not know beforehand how the superintendent would rule, there is no way to determine whether he is pursuing a judicial or an administrative remedy, and therefore no way to determine whether he must follow that route at all.

40. The exhaustion doctrine has been applied most often whenever a plaintiff is seeking equitable relief by way of an injunction. *See*, e.g., *Myers v. Bethlehem Shipbldg. Corp.*, 303 U.S. 41 (1938). But the *Myers* court also held that since the rule is one of judicial interpretation, it may be applied to suits at law in addition to suits in equity. Generally, the doctrine is said to apply whenever a statute provides for administrative relief and makes the resort to its remedies paramount to seeking relief in the courts. *See* United States v. Sing Tuck, 194 U.S. 161 (1904). The exhaustion doctrine is sometimes limited if the statute gives an election between using the administrative remedy and seeking immediate relief in the courts. *See* Standard Oil Co. v. United States, 283 U.S. 235 (1931). The general policy rationale in support of the doctrine favors the orderly procedure whereby the administrative agencies can decide the problems and avoid a flood of litigation in the courts. *See* United States v. Sing Tuck, 194 U.S. 161 (1904). The basis for this policy is the belief that the administrative agency will decide the matter correctly and quickly if given the opportunity to do so. *See* Public Welfare Comm'n v. State, 187 Okla. 654, 105 P.2d 547 (1940). There is, therefore, a general reluctance on the part of state or federal courts to hear a case unless the administrative remedy has been utilized. It is
viewing these decisions. The *McNeese* court spoke in broad language and indicated that "relief under the Civil Rights Act may not be defeated because relief was not first sought under state law which provided a remedy." Mr. Justice Douglas, writing for the majority in *McNeese* and quoting from *Monroe*, reiterated the Court's position that a federal remedy is only supplementary to that of the state; the latter need not be first sought and refused before the former may be invoked. The *Metcalf* analysis that this language referred only to state judicial remedies or those of a judicial nature is further weakened by the Court's statement in *McNeese* which outlined the "three main aims" of section 1983:

[T]o override certain kinds of state laws, to provide a remedy where state law was inadequate, "to provide a federal remedy where the state remedy, though adequate in theory, was not available in practice" . . . and to provide a remedy in the federal courts supplementary to any remedy any State might have . . .

In light of this language, it is possible to conclude that the Court in *Monroe* and *McNeese* proposed that exhaustion of any state remedies, whether judicial or administrative, is not required for suits brought under the Civil Rights Act.

Further, to support its contention that *McNeese* was distinguishable on its facts, the Seventh Circuit might have referred to the *McNeese* Court's doubt that the remedy available was sufficient. The broad language of the *McNeese* opinion is narrowed by Mr. Justice Douglas' remarks regarding the "tenuous" nature of the available administrative protection. Justice Douglas concluded his analysis by stating that when the adequacy of the available remedy is questionable, "prior resort to a state proceeding is not necessary . . ." It might therefore be implied that the *McNeese* opinion referred only to the singular set of circumstances presented for its consideration. Indeed, the instant court could have combined that analysis with its treatment of *Houghton v. Shafer*. The *Metcalf* court viewed *Houghton* as inapposite since any exhaustion there would merely have entailed an appeal to an administrator who had already established his position that the rules challenged were validly and correctly applied to petitioner . . . The court concluded not surprising, in light of this policy, for the *Metcalf* court to search for a method of retaining the doctrine in the instant case.

41. 373 U.S. at 671 (emphasis added).
43. Id. at 672 (emphasis added).
44. Id. at 674–75.
45. Id. at 676.
46. Id.
47. 392 U.S. 639 (1968).
48. Id. at 640. The complaint in *Houghton* concerned prison rules that the attorney general of the state submitted had been "validly and correctly applied to petitioner." To require the petitioner to resort to an administrative remedy ending with an appeal to that very officer "would be to demand a futile act." Id.
that *Houghton* was "no more than a particular application of the general rule that there is no requirement to exhaust inadequate administrative remedies." By so combining *Houghton* and *McNeese*, the court could more easily have limited the *McNeese* decision to its facts and, thus, would have strengthened its interpretation of *Houghton*. Were it not for other precedent relied upon by plaintiff, this analysis would seem to be sufficient.

The language employed by the Court in *Damico v. California* brings into question the *Metcalf* court’s interpretation of the adequacy requirement. The *Damico* Court stated:

The three-judge District Court dismissed the complaint solely because "it appear[ed] to the Court that all of the plaintiffs (had) failed to exhaust *adequate* administrative remedies." This was error. In broad language, *Damico* thus indicated that even if there is an *adequate* administrative remedy, exhaustion will not be required in a suit pursuant to the Civil Rights Act. *Metcalf*, however, distinguished *Damico*. By examining the combined effect of *Damico* and *King v. Smith*, both suits in which a state statute or regulation was challenged as unconstitutional on its face and both involving purely administrative and not judicial remedies, the *Metcalf* court found that "since the administrative remedy [there] cannot resolve the constitutional challenge, exhaustion will not be required unless the administrative action might make judicial determination of the constitutional question unnecessary ..." Thus, what the court in *Metcalf* proposed was an exclusion of the exhaustion requirement in cases combining the following elements: (1) a non-frivolous constitutional challenge of a statute on its face; (2) the general inadequacy of administrative remedies to deal with such challenges; and (3) the special federal nature of actions under the Civil Rights Act. The court’s treatment of *Damico* and *King* in connection with the interpretation given the *Monroe* and *McNeese* decisions supports its adoption of the following rule:

Exhaustion is *not* required where the remedies are judicial or where a statute or regulation is attacked on its face as unconstitutional; however, exhaustion is to be required where the remedies are administr-

49. 444 F.2d at 1356.
52. *Id.* at 416-17 (emphasis added; parentheses appear in original).
53. Any reliance, therefore, upon the adequacy of the remedy as a reason for requiring exhaustion would seem to be nullified by the language used in *Damico*. As a result of the *Damico* opinion, it no longer appears necessary to consider the adequacy of the remedy when facing the issue of exhaustion if the suit is pursuant to the Civil Rights Act.
55. 444 F.2d at 1356.
56. *Id.*
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tive and the statute [or] regulation . . . is attacked as unconstitutional as applied.57

The court's ruling as it pertains to judicial remedies is well founded. Even before the series of Supreme Court cases,58 many courts held that exhaustion of state judicial remedies was not required.59 That part of the court's rule, therefore, is not new. What Metcalf has added to the distinction regarding the judicial as opposed to administrative nature of a remedy is a further distinction regarding the form of the attack. If the attack is against the statute or regulation as applied, then the court would hold that the plaintiff is required to have exhausted his administrative state remedies; but, if the attack is against the statute or regulation on its face, then exhaustion will not be required. It is understandable that if a statute is being challenged as unconstitutional as applied, the courts will be more likely to require exhaustion since there is a chance that action by the administrative agency may correct the problem. However, when a statute is challenged as unconstitutional on its face, it is virtually impossible for the agency to save the statute if the allegations are true, and it is apparent that no agency action could further clarify the issue. Therefore, courts are understandably less likely to require exhaustion in the latter instance. The Metcalf court relied primarily on King and Damico, where a statute or regulation was attacked as being unconstitutional on its face, for support of its form distinction. Since the plaintiff in Metcalf had already had a determination of the "on its face" issue and was then challenging the application of the statute,60 the instant court determined that King and Damico were inapposite.61

In further support for its "as-applied" versus "facial attack" formula, the Metcalf court relied heavily on the consideration of whether the available state administrative remedies would be adequate.62 The court implied that when the attack, as in the instant case, is "as-applied," the available administrative remedies are fully adequate.63 Metcalf further stated that "all of the alleged faults cited by plaintiffs as depriving them of federal rights are either correctable through the unexplored avenues of administrative appeal provided by the Illinois statute or are plainly frivolous."64 The plaintiff contended, however, that to require the ex-

57. Id. at 1361 (dissenting opinion).
58. See note 17 supra.
59. See note 14 supra. Generally, the reason given for not requiring a plaintiff to exhaust his state judicial remedies when alleging a violation of rights secured by the federal Constitution is that he is entitled to expect a decision regarding his constitutional rights to be adjudicated in the courts of the United States rather than in those of a state. See, e.g., Railroad & Warehouse Comm'n v. Duluth St. Ry., 273 U.S. 625 (1927).
60. 444 F.2d at 1356.
61. Id.
62. Id.
63. Id.
64. Id. at 1358.
haustion of administrative appeals would result in administrative chaos due to the inherent nature of a class action. The court put aside this argument by requiring only the named plaintiff to exhaust and not the entire class. By so holding, the court necessarily raised the question whether an administrative remedy can ever be adequate in such a class action. It is logically permissible to conclude that administrative remedies in such a situation can never be adequate. Even if the named plaintiff did exhaust, it is difficult to see how such an exhaustion could resolve the constitutional claims of the entire class. One commentator, considering the exhaustion requirement in relation to class actions brought under the Civil Rights Act, has suggested:

[I]f the plaintiff is required to proceed first through the state agency, there is a danger that the agency proceedings will terminate in an individual settlement which satisfies the complaint, but neither changes the rule nor subjects it to external scrutiny. Where this happens, others who, because of fear, ignorance, or lack of resources, fail to mount challenges of their own, continue to be governed by a rule of questionable constitutionality.

It is suggested that if any distinction regarding the form of the action and the adequacy of the state remedies is to be made, it might indeed be more pragmatic to make the distinction in terms of whether an individual grievance or that of the constitutional claims of a class is involved. It is a definite possibility that if one is in a jurisdiction following the Seventh Circuit and requiring exhaustion, ability to challenge the unconstitutionality of a statute as applied in a class action suit would be diminished. In those jurisdictions, if the administrative agency, when

65. Id.

67. The Metcalf court takes its form argument even further. The court determined that when the plaintiffs first came before the three-judge court the sole question at that time was the constitutionality of the statute on its face; exhaustion was not appropriate since it is doubtful whether the administrative agency could resolve the constitutional issue. The court also reasoned that after the decision of the three-judge court, the sole question was the constitutionality of the statute as applied; exhaustion became appropriate since it might be possible for the agency action to save the statute. In maintaining this proposition in practice, it would mean that a court would be required to dismiss a plaintiff who had not previously exhausted and who was attacking a statute both "on its face" and "as applied" if the court first determined that there was no constitutional problem regarding the "on its face" issue. Such an application would lead only to undue loss of time and expenditure. A better approach might be to either require exhaustion at all times, regardless of the form of attack, or make a different "form" distinction based upon the nature of the action, as for example a class action, which would not cause such practical problems. Alternatively, a more liberal approach would be to abandon the exhaustion requirement completely in cases raising constitutional issues under the Civil Rights Act.
hearing the complaint, is attuned to the potential occurrence of a class action suit, it can easily grant the requested exceptions and satisfy the immediate complaint, thereby eliminating the possibility of a class action. It is then only a matter of outlasting the funds and patience of the attorneys representing those clients (invariably indigents or near-indigents), thus saving what still might be an unconstitutional statute or procedure.

Another factor in the instant case creates additional doubt whether the available administrative remedies were adequate. Requiring the plaintiff to exhaust at this point in time raises the further question whether he would now be permitted to do so under the state statute. The statute permits appeals to be taken within sixty days of an adverse agency determination.68 Since the decision was originally handed down in 1968, it is probable that no appeal can now be taken.68 Any inability now to appeal could be attributed to attorney error in not foreseeing the necessity to exhaust in the first instance. To make such a determination, however, would be unnecessarily harsh; in the past, the Seventh Circuit's position with respect to the exhaustion problem has not been entirely clear. The same court in Elmwood Properties, Inc. v. Conzelman70 stated that exhaustion of state remedies is not required before bringing suit in federal court for deprivation of civil rights.71 The Elmwood court made an exception only by saying that if "an exhaustion of remedies will eliminate any possible constitutional problem, then that route [exhaustion] should be followed."72 As previously mentioned, it is not clear in a class action welfare suit as the instant case, whether resort to administrative remedies could resolve the constitutional claim of the class. The court in Elmwood

68. Ill. Rev. Stat. ch. 23, § 11-8 (1967), provides that the appeal may be taken within sixty days after a decision is rendered, or if the department fails to act promptly on an application, thirty days after it is filed. An appealed decision must be reviewed and the appellant is entitled to appear in person, to be represented by counsel, and to present all relevant matter in support of the claim. Ill. Rev. Stat. ch. 23, § 11-8.1 (1967). Generally, a decision must be rendered within sixty days of the filing of the appeal. Judicial review of adverse administrative action is also available. Ill. Rev. Stat. ch. 110, §§ 264 et seq. (1967).

69. If any appeal can now be taken, it would probably be only at the discretion of the administrative agency. But even if the agency were to grant the appeal of the named plaintiff, it is highly improbable that this would solve the problems of the entire class.

The Metcalf court, in keeping with its view that exhaustion was necessary, might have directed in its opinion that the administrative agency should now hear the plaintiff's case notwithstanding the sixty-day appeal limit imposed by the statute. The effect of its decision as given, however, is a dismissal of plaintiff's action.

70. 418 F.2d 1025 (7th Cir. 1969). In Elmwood, property owners brought suit under the Civil Rights Act, alleging that they were denied due process by being refused a building permit after the housing inspector sent notice that repairs were required or the buildings would be destroyed. The court stated that an exhaustion of state remedies is not required unless that exhaustion would eliminate any possible constitutional problem. Id. at 1027.

71. Id. at 1027.

72. Id.
cited Basista v. Weir as authority. The Basista court not only stated that exhaustion of state remedies is not required before proceeding in a federal court, but that it is not even necessary to use the remedies concurrently. It does not seem equitable, therefore, to punish the instant plaintiff for failure to exhaust when it was not at all clear when the suit was commenced that such exhaustion was necessary. Even if the Metcalf court felt that under the circumstances of the present case exhaustion will normally be required, an exception should have been made based purely upon the instant facts.

The importance of the Metcalf decision is not in its seemingly new articulation of the exhaustion doctrine in Civil Rights cases, but rather in that it required exhaustion at all. Many courts have interpreted the line of Supreme Court cases differently than Metcalf. In Clutchette v. Procunier, the district court, feeling that there was no longer any doubt regarding the doctrine of exhaustion under the Civil Rights Act, stated:

[T]he Supreme Court laid to rest any doubt that might have remained regarding the vitality of the exhaustion doctrine in actions brought under the Civil Rights Act. Monroe v. Pape . . . actually established this position two years prior but it took McNeese to seal the lid on the coffin of exhaustion.

Contrary to Clutchette’s pronouncement, it is clear that the doctrine of exhaustion under the Civil Rights Act retains vitality, and is not a settled issue.

Mr. Justice Douglas, in his dissenting opinion in Younger v. Harris, maintains that there should be an absolute exception to the exhaustion of

73. 225 F. Supp. 619 (W.D. Pa. 1964). Basista involved an action under the Civil Rights Act against an arresting police officer and others as a result of plaintiff’s arrest and confinement.
74. Id. at 625.
75. See note 24 supra.
76. —_ F. Supp. —_ (N.D. Cal. 1971).
77. Id. at __ (emphasis added). In concluding its position with respect to the exhaustion doctrine, the Clutchette court referred to the extensive number of prisoners’ rights cases which have been brought pursuant to the Civil Rights Act, and the willingness of the part of federal courts to hear such suits. The court determined:

[1] it would be unwise and inappropriate for this court to return to a doctrine designed to promote harmonious relations between sovereigns, at the expense of the timely adjudication of human rights.

Id. at ___.
78. 401 U.S. 37, 58 (1971) (Douglas, J., dissenting). In Younger, plaintiff was indicted for violation of the California Criminal Syndicalism Act. He sought an injunction against the district attorney, alleging the prosecution and mere presence of the Act inhibited him in the exercise of his free speech and press. A three-judge court, finding the Act void for vagueness and overbreadth and thereby violative of the first and fourteenth amendments, issued an injunction. The Supreme Court reversed, holding the action to be a violation of the national policy forbidding a federal court from staying or enjoining pending state court proceedings except under special circumstances. Id. at 43–54.

Mr. Justice Douglas, in his dissent, cited McNeese for the proposition that the Court has already held that section 1983 does not require exhaustion of state remedies. Id. at 62 n.3.
state remedies requirement when suits are brought pursuant to the Civil Rights Act. This absolute exception increases in persuasiveness when it is realized that Congress has charged the federal judiciary with a "special vigilance for the protection of civil rights," and has given them "special responsibilities to prevent an erosion of the individual's constitutional rights." Since the rights being violated are purely federal in nature, and since they are being violated by state action, it is conceivable that Congress intended the federal judiciary to occupy a place between the state and its citizens in this special area.

It is arguable, however, that such an absolute exception should not be maintained. While discussing the exhaustion doctrine, the Court in McKart v. United States, stated some of the purposes of the doctrine as follows: (1) to avoid the premature interruption of the state administrative process; (2) to give the administrative agency the chance to carry out the functions for which it was created, that is, hearing the complaints and exercising its discretion; (3) to give the administrative agency the chance to solve the problem, thereby eliminating any possible future court action; (4) to maintain the administrative law policy of autonomy by giving the agency the opportunity to discover and correct its own problems; and (5) to prevent a circumvention of the agency procedures which would result in a weakening of the entire administrative process by "stripping away any confidence" in the administrative system. If we add to those purposes the desire of the federal courts to avoid any friction with the state system, a cogent argument can be presented that even in the special area of civil rights, it is for the courts in their discretion to balance conflicting policies in reaching decisions on the question of exhaustion of state administrative remedies.

In its last opportunity to clarify the exhaustion issue, the Supreme Court denied certiorari. The remaining vitality of the doctrine in this special area, therefore, still remains unanswered. Continued denial of certiorari in such cases could indicate that the Metcalf rationale finding "a pattern of flexibility in imposing the exhaustion requirement" may indeed be correct. Should such a "pattern of flexibility" be present, how-

79. Id. at 62.
80. Id. at 58.
81. 395 U.S. 185 (1969). In McKart, petitioner was convicted for knowingly and willfully failing to report for and submit to induction into the armed services. The United States Court of Appeals for the Sixth Circuit affirmed. The Supreme Court reversed, holding that the doctrine of exhaustion of administrative remedies is subject to numerous exceptions and that petitioner's failure to report for induction did not foreclose his challenging the validity of his classification as a defense to his subsequent criminal prosecution. Id. at 192-203.
82. Id. at 193.
83. Id. at 194.
84. Id. at 195.
85. Id.
86. Id.
ever, included in that flexibility should be those class action welfare suits as in the instant case. It is hoped that if this question again comes before the Court, certiorari will be granted and the confusion laid to rest. Plaintiffs proceeding today in this critical area of the law are in danger of bearing the burden of wrong "guesses" by their attorneys and having the determination of critical issues untimely delayed or even dismissed. Thus, until an established pattern emerges, complete exhaustion of state administrative remedies is surely the safest, albeit the most expensive, way to proceed.

David F. Girard-diCarlo

CONSTITUTIONAL LAW — Consensual Participant Monitoring
Does Not Constitute a Search and Seizure Within the Fourth Amendment — No Constitutional Distinction Between Recording and Transmitting — Doctrine of Misplaced Confidence Applies Fully to Consensual Participant Monitoring.

United States v. White (U.S. 1971)

Respondent White was convicted in the United States District Court for the Northern District of Illinois of certain narcotics violations\(^1\) based largely on the testimony of government agents.\(^2\) The agents overheard incriminating statements made by defendant to an informer by means of an electronic transmitter which the informer\(^3\) carried concealed on his

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2. Throughout the two month surveillance of the defendant, at least six government agents listened to the transmitted conversations. During the two conversations held in the informer’s home, an agent was concealed in a closet thereby fully observing the conversants. For a similar case where an agent concealed himself in an informer’s home and later testified to the conversations observed, see United States v. Missler, 414 F.2d 1293 (4th Cir. 1969). That case, however, was not complicated by electronic surveillance. Had a government agent concealed himself in defendant’s home, his testimony would clearly be barred at trial under the trespass doctrine established by Olmstead v. United States, 277 U.S. 438 (1928), and Goldman v. United States, 316 U.S. 129 (1942).

It has been suggested that the possibilities of electronic snooping have so captured the American imagination that the far more common use of police spies and undercover agents has gone unnoticed, even though the same basic objections apply to both types of police activity, and the same fundamental social values are threatened. See Note, Police Undercover Agents: New Threat to First Amendment Freedoms, 37 Geo. Wash. L. Rev. 634, 637 (1969). The White decision, by incorporating Hoffa v. United States, 385 U.S. 293 (1966), and Lewis v. United States, 385 U.S. 206 (1966), into the field of electronic surveillance, has resolved this situation by erasing any distinction between the bugged and unbugged agent. See pp. 359-63 infra.

3. The informer Jackson could not be located at the time of trial, but the Court noted specifically that this posed no fourth amendment complications. A similar situation was presented in On Lee v. United States, 343 U.S. 747 (1952), where the Supreme Court stated that failure of the prosecution to elicit the informer’s testimony at trial, no matter what the reason, posed no fourth amendment difficulties. But see Lopez v. United States, 373 U.S. 427, 441 (1963) (Warren, C.J., concurring); Comment, Eavesdropping, Informers, and the Right of Privacy: A Judicial Tightrope, 52 Cornell L.Q. 973, 982-84 (1967).
person during his conversations with defendant. Although five of the monitored conversations transpired in the defendant’s own house, the trial court refused to label their procurement as a search and seizure. The Court of Appeals for the Seventh Circuit reversed, holding that the rationale expounded in United States v. Katz applied in full force to consensual participant monitoring situations. Consequently, the Seventh Circuit held that the consensual participant transmitting presented in White — since undertaken without a warrant — constituted an unreasonable search and seizure, and the agents’ testimony was therefore

4. Other conversations were similarly monitored, two of these occurring in the informant’s home; others occurred in a public restaurant, the informant’s automobile and a public street. United States v. White, 405 F.2d 838, 840–42 (7th Cir. 1969), rev’d, 401 U.S. 745 (1971). The fact that no court has distinguished cases based on the place where the conversation took place has been interpreted to mean that a speaker’s confidence that there will be no monitoring of his private conversations is based on the supposed good faith of the other party, rather than the sanctity of the place. See Greenawalt, The Consent Problem in Wiretapping and Eavesdropping: Surreptitious Monitoring with the Consent of a Participant in a Conversation, 68 COLUM. L. REV. 190, 231 (1968); Kitch, Katz v. United States: The Limits of the Fourth Amendment, 1968 SUP. CT. REV. 133, 136.

5. United States v. White, 405 F.2d 838 (7th Cir. 1969), rev’d, 401 U.S. 745 (1971). In reaching this conclusion, the circuit court recognized that the law regarding consensual participant transmitting was embodied in On Lee v. United States, 343 U.S. 747 (1952), a case quite similar on its facts to the present one. The court interpreted Katz v. United States, 389 U.S. 347 (1967), as overruling On Lee, and further noted that “no distinction of constitutional significance can be drawn between the third party overheard presented in Katz and the consensual monitoring here.” 405 F.2d at 844. The court found Katz controlling in the present instance. While so deciding, the Seventh Circuit stated that, but for their interpretation of Katz, On Lee would be controlling in the present case, and should their interpretation be incorrect, they would apply On Lee to all similar cases. Id. at 847. See United States v. Teller, 412 F.2d 374 (7th Cir. 1969) for a case involving consensual participant transmitting where the Court of Appeals for the Seventh Circuit applied the standard established in On Lee.

6. 389 U.S. 347 (1967), noted in 13 VILL. L. REV. 643 (1968). In Katz, government agents attached a listening and recording device to the outside of a telephone booth regularly used by the defendant to place illegal interstate bets. Although noting the discriminate manner in which the eavesdropping was practiced — the agents would activate the device only when they saw the defendant approaching and took precautions to insure that only his conversations would be overheard — the Supreme Court reversed defendant’s conviction for interstate gambling violations, holding that eavesdropping must be made pursuant to a court order.

7. The term “consensual participant monitoring” refers to electronic surveillance with the aid and consent of a party participating in the conversation, and may involve either recording or transmitting by the consenting party. In this note, consensual participant monitoring is used to refer collectively to these techniques; when differentiation is to be made between them, more precise language is used. Any discussion of coerced participant monitoring is beyond the scope of this note. For a general discussion of informers and electronic surveillance, see Comment, supra note 3, at 990.

The term “non-consensual third party eavesdropping” refers to that type of electronic surveillance which results in the overhearing of a conversation without the knowledge or consent of any of the participants therein. For background constitutional history in electronic surveillance, see Greenawalt, supra note 4, at 191–202; King, Electronic Surveillance and Constitutional Rights: Some Recent Developments and Observations, 33 GEO. WASH. L. REV. 240 (1964); Comment, Eavesdropping and the Constitution: A Reappraisal of the Fourth Amendment Framework, 50 MINN. L. REV. 378, 384 (1965).

8. Prior to Warden v. Hayden, 387 U.S. 294 (1967), seizure of items having only evidentiary value, as opposed to instrumentalities, fruits of the crime, or contraband, was per se unreasonable. This concept, referred to as the “mere evidence rule” was first established in Gouled v. United States, 255 U.S. 298 (1921), and
inadmissible at trial.\(^9\) The United States Supreme Court reversed, holding (1) consensual participant monitoring did not constitute a search and seizure,\(^10\) and (2) *Desist v. United States*\(^11\) demanded prospective application of *Katz*.\(^12\) *United States v. White*, 401 U.S. 745 (1971).

unequivocally rejected in *Hayden*. The effect of the latter case was that incriminating words could thereafter be seized by means of a reasonable search and subsequently admitted as evidence, although such words constituted neither a substantive crime, not a fruit or instrumentality thereof. The Court's rejection of the "mere evidence rule" was essential to the *Katz* decision. See Spritzer, *Electronic Surveillance by Leave of the Magistrate: The Case in Opposition*, 118 U. Pa. L. Rev. 169, 175-76 (1969).

9. In *Weeks v. United States*, 232 U.S. 383 (1914), the Supreme Court devised the federal exclusionary rule whereby items seized in violation of defendant's constitutional rights would be inadmissible as evidence at trial. The exclusionary rule subsequently has been held to apply to the states through the fourteenth amendment. *Mapp v. Ohio*, 367 U.S. 643 (1961).

10. In earlier interpretations of the language of the fourth amendment, the Supreme Court established certain exceptions to the warrant procedure, but otherwise has held that all warrantless searches are per se unreasonable. See note 33 and accompanying text in *infra*. The *White* Court did not establish consensual participant monitoring as another exception to the warrant procedure, but rather stated that warrants are only needed for searches, and consensual participant monitoring is not a search.

Mr. Justice Black concurred in the conclusion that consensual participant monitoring is not a search, but based his decision on entirely different grounds, which he revealed in his *Katz* dissent. Mr. Justice Black concluded that *Olmstead v. United States*, 277 U.S. 438 (1928), is the correct statement of the law, to the extent that only tangible things are capable of seizure. Since conversations are intangible, they cannot be searched for, nor can they be seized. His position was that the majority in *Katz* read the fourth amendment to include things wholly unknown to its writers, and thereby "distorted" the meaning of the fourth amendment. *Katz v. United States*, 389 U.S. 347, 373 (1967) (Black, J., dissenting). Mr. Justice Black's position represents the strict constructionist view of fourth amendment interpretation.

11. 394 U.S. 244 (1969). In that case, defendant was convicted of several narcotics violations based largely on the testimony of government agents who overheard incriminating statements by means of a transmitting and recording device attached to the wall of the defendant's home. The Supreme Court affirmed the conviction because the events had occurred prior to the *Katz* decision, and to the extent *Katz* overruled existing law the Court held it was to be given prospective application. *Id.* at 254. In so holding, the Court used three criteria to determine whether *Katz* should be given retroactive or prospective application. The criteria the Court observed were set out in *Stovall v. Denno*, 388 U.S. 293 (1967):

(a) the purpose to be served by the new standards, (b) the extent of reliance by law enforcement authorities on the old standards, and (c) the effect on the administration of justice of a retroactive application of the new constitutional standards.

*Id.* at 297. The *Desist* Court felt that all three of the criteria militated against giving *Katz* retroactive application because exclusion of electronic evidence seized prior to the date of the *Katz* decision

would increase the burden on the administration of justice, would overturn convictions based on fair reliance upon pre-*Katz* decisions, and would not serve to deter similar searches and seizures in the future.

394 U.S. at 253. Consequently, the Court held that the *Katz* doctrine was to apply "only to those cases in which the prosecution seeks to introduce the fruits of electronic surveillance conducted after December 18, 1967 [the date of the *Katz* decision]." *Id.* at 254.

In *White*, the electronic surveillance was conducted in 1966. Hence, the Court of Appeals for the Seventh Circuit erred by not determining its admissibility by pre-*Katz* law. In *United States v. Teller*, 412 F.2d 374 (7th Cir. 1969), the same court, recognizing its mistake, followed *Desist* and applied *On Lee* to determine whether evidence seized by means of an electronic surveillance was admissible.

12. Mr. Justice Brennan concurred with the plurality on this issue, but Mr. Justice Black did not. As a result, both issues were resolved by five to four decisions, and neither had the benefit of a majority opinion.
Title

As early as 1928, the Supreme Court recognized in United States v. Olmstead that electronic surveillance posed a serious threat to the rights of all Americans, and therefore required special judicial attention to avoid undue governmental use of such "dirty business." Nevertheless, the Court concluded that evidence obtained by wiretapping was not the product of a fourth amendment search and seizure because there could be no search without a physical trespass, and no seizure of mere intangibles such as words. The Supreme Court first applied the Olmstead rationale to a non-consensual third party eavesdropping situation.

13. 277 U.S. 438 (1928). Defendant was convicted of many liquor violations based upon evidence obtained by government agents through wiretapping defendant's phones. The Supreme Court affirmed the convictions, holding that wiretapping presented no fourth amendment problem.


15. See generally Olmstead v. United States, 277 U.S. 438, 469 (1928) (Brandeis & Holmes, JJ., dissenting).

16. While wiretapping is really a situation involving non-consensual third party eavesdropping, since Olmstead it has usually been treated as a separate area of judicial concern, probably due to congressional enactments in the area. See Note, From Private Places to Personal Privacy: A Post-Katz Study of Fourth Amendment Protection, 43 N.Y.U.L. Rev. 968, 975 n.49 (1968).


17. Subsequently, in Berger v. New York, 388 U.S. 41 (1967), the Supreme Court broached wiretapping within the fourth amendment protections. See note 29 infra. The Court felt that although wiretapping was not per se unconstitutional, it should be sanctioned only upon issuance of a search warrant by a magistrate, based on fourth amendment standards of probable cause and particularity. See Note, Eavesdropping Under Court Order and the Constitution: Berger v. New York, 1 Loyola U.L. Rev. (LA) 143 (1968).

18. The requirement of a physical trespass was questioned by Silverman v. United States, 365 U.S. 505 (1961), and expressly repudiated in Katz v. United States, 389 U.S. 347 (1967), when Mr. Justice Stewart, discussing the fourth amendment, stated "the reach of that Amendment cannot turn upon the presence or absence of a physical intrusion into any given enclosure." Id. at 353.

19. This misconception was finally put to rest by Mr. Justice Brennan in Wong Sun v. United States, 371 U.S. 471 (1963): "[t]he Fourth Amendment may protect against the overhearing of verbal statements as well as against the more traditional seizure of 'papers and effects.'" Id. at 485. This trespass requirement of Olmstead had, however, been in doubt before this time. See Silverman v. United States, 365 U.S. 505 (1961); Irvine v. California, 347 U.S. 128 (1954).

20. See note 7 supra.
in *Goldman v. United States*,21 and later, to a consensual participant monitoring in *On Lee v. United States*.22 In the latter case, the Court ruled that since neither the concealment of a transmitter on the informer, nor his entry onto defendant's premises under false pretenses constituted a trespass, there could be no unconstitutional search and seizure when the conversation was transmitted to a government agent outside.23 Somewhat parenthetically, the Court added that eavesdropping on a conversation with the connivance of one of the parties could in no way be likened to an unreasonable search or seizure.24 In *Lopez v. United States*,25

21. 316 U.S. 129 (1942). Defendant's conviction rested largely on testimony of two government agents who, by means of a detectorphone attached to the outside of the defendant's room, heard incriminating conversations. The Supreme Court, unable to distinguish this case from *Olmstead*, upheld the conviction.

22. 343 U.S. 747 (1952). The factual setting of *On Lee* is almost identical to that of the present case. By applying *Olmstead* to consensual participant monitoring, *On Lee* marked the complete incorporation of the trespass doctrine into all fields of electronic surveillance, wiretapping and non-consensual third party eavesdropping having been covered previously by *Olmstead* and *Goldman*, respectively.

23. *Id.* at 751-52.

24. *Id.* at 754. The Court stated that:

[I]t would be a dubious service to the genuine liberties protected by the Fourth Amendment to make them bedfellows with spurious liberties improvised by farfetched analogies which would liken eavesdropping on a conversation, with the connivance of one of the parties, to an unreasonable search or seizure.

*Id.*. In such fashion, the Court implied that although the defendant had been betrayed by his own misplaced trust, his privacy had not been invaded.

See *United States v. White*, 401 U.S. 745, 774 (1971), for Mr. Justice Harlan's objection to reading "this unelaborated assertion as a wholly independent ground for decision." Examination of other opinions lends support to the conclusion that misplaced confidence was not understood to be an independent basis for the *On Lee* decision. The opinions of the dissenting justices in *On Lee* spoke more to the issue of the trespass doctrine rather than to any concept of misplaced confidence. The rationale of the *On Lee* decision met its first test in *Lopez v. United States*, 373 U.S. 427 (1963). The fact that the majority in that case failed to cite *On Lee* approvingly is particularly startling since the *Lopez* majority spoke directly to the concept of misplaced confidence. Therefore, had the *Lopez* majority felt that misplaced confidence played any role in *On Lee's* outcome, it certainly seems likely that the Court would have cited it. The *Lopez* dissent, noting the majority's emphasis on misplaced confidence, states that "On Lee . . . rested on no such theory . . . ." *Id.* at 449.

While it might be true that the *White* plurality may inflate its present position by recognizing misplaced confidence as a wholly independent basis for the *On Lee* decision, the *White* plurality leaves no doubt that the decisions of *Hoffa* and *Lewis* have so substantially buttressed this misplaced confidence doctrine that it now reflects the true state of the law.

25. 373 U.S. 427 (1963). Defendant's conviction for income tax evasion was based primarily on a recording made by a federal agent of certain incriminating statements defendant had made to him. Although there is some sentiment toward limiting the *Lopez* decision to the facts of that case, see *Lopez v. United States*, 373 U.S. 427, 441 (1963) (Warren, C.J., concurring), the case has been generally interpreted to stand for the proposition that a search warrant is not required when one of the conversants wishes to record the conversation. Many cases have cited *Lopez* for precisely this principle. See, e.g., *United States v. Kauer*, 406 F.2d 550, 551 (2d Cir.), *aff'd*, 394 U.S. 458 (1969) ("The procedure used against Kauer involved the recording of a conversation with the consent of one of the parties to that conversation, a procedure upheld in *Lopez v. United States*, . . . .") ; *Holt v. United States*, 404 F.2d 914, 920 (10th Cir. 1968), *cert. denied*, 393 U.S. 1086 (1969) ("It remains the law that the recording of a conversation between an informant and a suspect, obtained through an electronic device concealed upon the person of the informant . . . . is admissible into evidence."). Writers have similarly understood that "the Court in *Lopez* had decided that introduction of a recording, even one
after stating that consensual participant recording is not eavesdropping, the Court introduced a concept of "assumption of risk" into electronic surveillance. It declared "that either party may record the conversation and publish it;" such was the risk one took when conversing with another. The Court has since stated that a warrant is not a precondition to consensual participant recording, but does insure greater protections.

After bringing wiretapping within the scope of fourth amendment protections in Berger v. New York, the Supreme Court sought to reexamine non-consensual third party eavesdropping practices in Katz v. United States. The Katz case presented two basic issues: (1) whether obtained in the absence of judicial authorization, was permissible.” See Comment, supra note 3, at 987. See generally King, supra note 7, at 257-61.

The Lopez Court was able to distinguish consensual participant recording from third party eavesdropping because it did not involve listening in on a conversation which the Government could not otherwise have observed. To the contrary, the Government's own agent was a such conversation, and was free to memorize and disclose any details thereof. The only purpose of the recording device was to "obtain the most reliable evidence possible." 373 U.S. at 439. Id. at 439, quoting Rathburn v. United States, 355 U.S. 107, 110 (1957). By citing to Rathbun, a wiretapping case, the Lopez Court analogized the assumption of risk in having words recorded by a confidant to the risk of having one's telephone conversation overheard by a person who is within earshot, but has not tapped the wire. 373 U.S. at 439.

In Osborne v. United States, 385 U.S. 323 (1966), the Court faced a situation identical to Lopez with the exception that the consensual participant recording in Osborne proceeded with the benefit of a warrant. The Court praised the procedure followed by the investigators in Osborne, but at the same time refused to hold that a warrant was a constitutional precondition to consensual participant recording, thereby implying that it was not. See Katz v. United States, 389 U.S. 347, 362-63 (1967) (White, J., concurring), which indicates that surreptitious use of electronic devices by parties to a conversation is constitutional whether or not a court order has been issued.

Defendant Berger was convicted on two counts of conspiracy to bribe a public official. The only evidence introduced against the defendant was certain eavesdropping evidence obtained by a recording device. The investigating officers had obtained an eavesdrop order for the use of the recording equipment under N.Y. Crim. Pro. § 813-a (1963). The Supreme Court invalidated the New York eavesdropping statute, primarily because it did not meet the fourth amendment's requirement of particularity in the warrant concerning: (1) the specific crime committed; (2) the place to be searched; and (3) the persons or things to be seized. In striking down the statute, the Berger Court noted that the fourth amendment protections applied to conversation passing over telephone wire. 388 U.S. at 91. While the situation presented by Berger was electronic surveillance, the Court spoke extensively on the issue of wiretapping, and Mr. Justice Douglas, in his concurring opinion, noted that it "brings wiretapping ... fully within the purview of the Fourth Amendment." 388 U.S. at 64. In his dissent in White, Justice Douglas again explains the effect of the Berger decision: "We held in Berger ... that wiretapping is a search and seizure within the meaning of the Fourth Amendment and therefore must meet its requirements. ..." 401 U.S. at 738. This dissent seems to lend credence to the view that Berger was intended to cover both eavesdropping and wiretapping situations.


The Katz Court refused to accept the defendant's formulation of the issues, and consequently found it necessary to restate the issues. Defendant spoke in terms of “constitutionally protected areas” and “physical penetration” of same. The Court
non-consensual third party eavesdropping was a search and seizure; and (2) if so, whether such search and seizure was unreasonable when conducted without a warrant. The Court specifically overruled both Olmstead and Goldman, thereby ringing the death knell of the trespass doctrine.82 After listing those searches comprising exceptions to the warrant procedure,83 and noting that those exceptions did not include non-consensual third party overhearing of a speaker's conversation, the Court held that a warrant was a constitutional precondition to such practice because it "violated the privacy upon which [the speaker] justifiably relied."84

The Katz decision, while clearly bringing non-consensual third party eavesdropping within the ambit of the fourth amendment, was nevertheless ambiguous as to its application to situations where a participant to the conversation has consented to the monitoring.85 In interpreting the scope of Katz in this regard, the circuit courts have reached contradicting conclusions. The United States Court of Appeals for the Fifth Circuit has concluded that Katz was not applicable to consensual participant monitoring, and that the evidence obtained by such practices was not a search and seizure within the fourth amendment.86 The Seventh

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82 The Fourth Amendment protects people, not places." 389 U.S. at 349-51. Defendant's misconstruing of the issues is most understandable, as other decisions dealing with eavesdropping were primarily concerned with intrusions into a "constitutionally protected area." See, e.g., Berger v. New York, 388 U.S. 41, 57-59 (1967); Lanza v. New York, 370 U.S. 139, 143 (1962); Silverman v. United States, 365 U.S. 505, 510-12 (1961).

83 389 U.S. at 353.

84 The three most notable exceptions to the warrant procedure enumerated by Mr. Justice Stewart were: (1) searches incident to arrest; (2) searches or arrests made in hot pursuit; and (3) consent searches. Id. at 357-58. In Schmerber v. California, 384 U.S. 757 (1966), the Court seems to have formulated another exception, viz., in emergency situations no search warrant is necessary when delay would result in destruction of evidence. The belief that Frank v. Maryland, 359 U.S. 360 (1959), stated another exception in regards to administrative searches has been discredited by Camara v. Municipal Court, 387 U.S. 523 (1967). See generally Comment, Rehabilitation, Investigation and the Welfare Home Visit, 79 YALE L.J. 746, 757 (1970).

85 389 U.S. at 353.

86 See Greenawalt, supra note 4, at 202; Kitch, supra note 4, at 137; Note, supra note 6, at 644. See generally Note, supra note 16.

87 In Koran v. United States, 408 F.2d 1321 (5th Cir. 1969), noted in 14 VILL. L. REV. 758 (1969), defendant appealed his conviction for counterfeiting, which was based largely on the testimony of a government agent who, without a warrant, listened to the conversation between defendant and the informer which was being transmitted to him by means of a device hidden on the informer's person. The circuit court affirmed the defendant's conviction, holding that Katz limited itself to non-consensual third party eavesdropping, and therefore was not controlling in a case involving consensual participant transmitting. Id. at 1323-24. The Koran case was not a case of first impression in the Fifth Circuit, as shown by the court's reliance on Dryden v. United States, 391 F.2d 214 (5th Cir. 1968); Handsford v. United States, 390 F.2d 373 (5th Cir.) (per curiam), cert. denied, 391 U.S. 915 (1968); Dancy v. United States, 390 F.2d 370 (5th Cir. 1968); and Long v. United States, 387 F.2d 377 (5th Cir. 1967) (per curiam), cert. denied, 390 U.S. 952 (1968).

88 The Court of Appeals for the Second Circuit, in a per curiam opinion in United States v. Kaufman, 406 F.2d 550 (2d Cir.), aff'd, 394 U.S. 458 (1969), and the Court of Appeals for the Tenth Circuit, in Holt v. United States, 404 F.2d 914 (10th Cir. 1968), cert. denied, 393 U.S. 1086 (1969), have ruled the same as the Fifth Circuit using similar reasoning.
Circuit has held to the contrary, maintaining that the Katz rationale dictates that surveillance by means of consensual participant monitoring techniques is a search and seizure, which, when undertaken without a warrant, is violative of the fourth amendment.\textsuperscript{37}

The present case represents the first attempt by the Supreme Court to clarify the constitutional guidelines announced in Katz as they apply generally to the entire field of consensual participant monitoring and specifically to consensual participant transmitting. In the opinion, the plurality, with the added, unequivocal support of Mr. Justice Black,\textsuperscript{38} clearly stated that consensual participant monitoring is not a search and seizure within the fourth amendment. To settle this issue, the White Court initially had to resolve: (1) whether the Katz rationale applied to consensual participant monitoring; and (2) if not, whether Lopez and On Lee were still good law.

Distinguishing Katz from the present case,\textsuperscript{39} the White plurality attempted to resolve the confusion\textsuperscript{40} surrounding the interpretation of Katz by showing that the Katz decision did not encompass consensual participant monitoring.\textsuperscript{41} Reasoning that any presumption on the part of a speaker “that a person with whom he is conversing will not then or later reveal the conversation to the police”\textsuperscript{42} was not a reasonable and “constitutionally justifiable” expectation of privacy, the plurality concluded that Katz offered no protection to such unreasonable expectations.\textsuperscript{43} Re-examination of the Katz opinion lends considerable support to the contention that consensual participant monitoring did not fall within the intended scope of Katz. The Katz case involved non-consensual third party eavesdropping, and its holding limited itself to making the warrant

\textsuperscript{37} The view adopted by the Seventh Circuit is reflected in its disposition of the present case. See note 5 supra. This court held that Katz was not limited to non-consensual third party eavesdropping, but rather applied to all types of electronic surveillance. United States v. White, 405 F.2d 838 (7th Cir. 1969), rev'd, 401 U.S. 745 (1971). The United States District Court for the District of Columbia agreed with the Seventh Circuit's interpretation of Katz, and consequently suppressed evidence obtained through unwarranted consensual participant monitoring in United States v. Jones, 292 F. Supp. 1001 (D.D.C. 1968).

\textsuperscript{38} See note 10 supra.

\textsuperscript{39} 401 U.S. at 749. This same process of distinguishing Katz had been followed by the many circuit courts that had limited the scope of Katz to non-consensual third party eavesdropping. See, e.g., Koran v. United States, 408 F.2d 1321, 1324 (5th Cir. 1969); United States v. Kaiser, 406 F.2d 550, 551 (2d Cir.), aff'd, 394 U.S. 458 (1969); Holt v. United States, 404 F.2d 914, 919 (10th Cir. 1968), cert. denied, 393 U.S. 1086 (1969); Dancy v. United States, 390 F.2d 370, 371 (5th Cir. 1968).

\textsuperscript{40} See notes 35 & 36 supra. The most probable cause for this confusion was the language of the Katz opinion itself, which spoke generally about the constitutionality of the entire field of electronic surveillance, while strictly limiting its holding to the constitutional preconditions of non-consensual third party eavesdropping. See note 44 and accompanying text infra.

\textsuperscript{41} 401 U.S. at 751.

\textsuperscript{42} Id. at 749.

\textsuperscript{43} Id.
procedure "a constitutional precondition to the kind of electronic surveillance involved in this case." Having demonstrated that Katz did not apply to consensual participant monitoring, the plurality concluded that any reading of Katz which construed it as overruling prior precedents, as applied to the field of consensual participant monitoring, was erroneous.

The effect of Katz on prior precedents was not the only question to be resolved in White; the grant of certiorari also indicated that the continued viability of Lopez and On Lee would seriously be questioned. In considering this issue, the White Court reconstructed the foundation of consensual participant monitoring law, and approvingly cited as the cornerstone thereof, the Lopez principle, that no search warrant is necessary when an informer surreptitiously records the words of his fellow conversant. This reaffirmation of Lopez did not, however, automatically mandate similar treatment for the transmitting practice involved in On Lee. The Court could have recognized the differences between consensual participant recording and transmitting, and consequently could have drawn "the constitutional line at this juncture between the two as regards the necessity for obtaining a warrant." While such an approach

45. 401 U.S. at 751-54.
46. Had the Court intended the Katz decision to apply to all types of electronic surveillance, it could have denied certiorari in the present case on the basis of its holding in Desist v. United States, 394 U.S. 244 (1969), wherein the Court decided that Katz was to be applied prospectively. See note 11 supra. Conversely, had the Court wished to uphold the pre-Katz law on consensual participant monitoring, it could have denied certiorari citing to On Lee v. United States, 343 U.S. 747 (1952), buttressed perhaps by a cite to Lopez v. United States, 373 U.S. 427 (1963), which taken together stated the prior law regarding consensual participant monitoring. See notes 5 & 25 supra.
47. 401 U.S. at 749.
48. Id. at 749 n.3.
49. It has been stated that recordings by a participant may be considered lesser invasions of privacy than transmission of a conversation, because transmission represents an instantaneous, assured invasion of privacy, while what is recorded may never be played for another. See United States v. White, 401 U.S. 745, 788 (1971) (Harlan, J., dissenting); Greenawalt, supra note 4 at 225. In his White dissent, Mr. Justice Harlan recognized the instantaneous intrusion of privacy posed by the presence of an uninvited ear in transmitting:
[11] It is one thing to subject the average citizen to the risk that participants in a conversation with him will subsequently divulge its contents to another, but quite a different matter to foist upon him the risk that unknown third-parties may be simultaneously listening in.
Id. at 777.
50. Id. at 792. Mr. Justice Harlan suggested drawing the constitutional line at this point because there is an "identifiable difference — albeit an elusive one" between the invasion of privacy presented by single party bugging and third party bugging. Little support can be found for this position, either among the commentators or among other courts. See note 51 infra. Of all the circuit court decisions handed down since Katz, only the Seventh Circuit in White has attempted to distinguish the recording situation presented by Lopez from the transmitting situation presented by On Lee. Even here, the Seventh Circuit did not use Mr. Justice Harlan's basis of distinction, i.e., comparative invasions of privacy, but rather a due process distinction. See 14 Vill. L. Rev. 758, 762-63 n.43 (1969), which suggests that this type of distinction is immaterial to the determination of whether there was a search and seizure in violation of the fourth amendment, and probably for that reason has not been adopted by other courts. In so viewing the problem, the Seventh Circuit reflected the earlier thinking of Chief Justice Warren, who distinguished the factual
may represent a reasonable limitation on the use of electronic surveillance, the Court seems well-advised to avoid drawing a constitutional distinction between consensual participant monitoring techniques based on such "hairsplitting."

In consenting to re-examine On Lee, the Court travelled the road it had previously refused to follow. To the extent that On Lee relied upon the trespass doctrine, the Court concluded it was overruled. The Court, however, regarded the misplaced trust aspect of On Lee as an independent alternative holding, and on this basis reaffirmed the decision. Probably sensing the insufficiency of this argument for reaffirmation, White attempted to dispel the misconception that the doctrine of misplaced confidence, expounded in Hoffa v. United States and Lewis v. United States, had no application in the area of electronic surveillance.

settings of Lopez and On Lee. Lopez v. United States, 373 U.S. 427, 441 (1963) (Warren, C.J., concurring). In that case, however, the Chief Justice was more concerned with limiting the use of consentual participant monitoring to corroboration of informer's testimony, than in drawing any constitutional distinction between recording and transmitting.

51. See Comment, supra note 3, at 984. The author there suggests that it would be little more than "an exercise in hairsplitting" to draw a constitutional distinction "between the contemporaneous overhearing of a conversation with the consent of one of the parties, and the subsequent hearing of a recording." Id. The author further submits that it would be ludicrous to conclude that a person had a constitutional protection against radio transmissions of his conversations, but enjoys no similar protection when the same people hear his conversations via a recording. It similarly appears, the author contends, that there is no greater need for a court order in the case of transmitting than in the case of recording. Id.

Other commentators have agreed. See, e.g., Greenawalt, supra note 4, at 233. "The differences between the techniques of participant monitoring are too small, in my judgment, to justify any distinction in treatment ... . "

52. See Massiah v. United States, 377 U.S. 201 (1964), noted in 39 Tul. L. Rev. 581 (1965). Massiah presented a factual situation closely analogous to that of On Lee and the present case. Petitioner and his accomplice were arrested for certain narcotics violations and released pending trial. The accomplice, having decided to co-operate with the government, concealed a transmitter in his car and engaged the petitioner in incriminating conversation. Petitioner was convicted on the testimony of agents who overheard the transmitted conversation. The Supreme Court, ignoring the fourth amendment issue, reversed the decision of the Second Circuit, holding that petitioner's sixth amendment rights were denied, although the eavesdropping complication made Massiah an imperfect case for treating sixth amendment considerations. The decision thus indicated an attempt by the Court to reduce its time on consensual participant monitoring issues. For further discussion and criticism of Massiah, see Greenawalt, supra note 4 at 197; Note, 3 Duq. L. Rev. 99, 101 (1964); Note, supra note 17, at 151; Note, 48 Marq. L. Rev. 247 (1964).

53. 401 U.S. at 750.
54. See note 24 and accompanying text supra.
55. 401 U.S. at 750.
56. 385 U.S. 293 (1966), noted in 19 Ala. L. Rev. 455 (1967). The Court permitted the use of evidence, obtained by a paid government informer whom petitioner thought was a compatriot, to convict petitioner of jury tampering. The Court dismissed all fourth amendment issues, claiming that petitioner was merely the victim of his own misplaced confidence in the informer.
57. 385 U.S. 206 (1966). Petitioner was convicted of narcotics violations as a result of evidence given to the authorities by one whom petitioner believed to be a potential customer, but in point of fact was a government agent.
58. This misconception is particularly evident in the Seventh Circuit's handling of the present case. That court would have limited the principle of Hoffa and Lewis to such an extent that an informer would only be able to memorize or record a con-
Citing Hoffa and Lewis for the principle that the fourth amendment offers no protection for "a wrongdoer's misplaced belief that a person to whom he voluntarily confides his wrongdoing will not reveal it," the plurality adopted a view best represented by Mr. Justice White's concurring opinion in Katz, to the effect that:

[W]hen one man speaks to another he takes all the risks ordinarily inherent in so doing, including the risk that the man to whom he speaks will make public what he has heard. . . . It is but a logical and reasonable extension of this principle that a man takes the risk that his hearer, free to memorize what he hears for later verbatim repetitions, is instead recording it or transmitting it to another.60

This theme of voluntary disclosure is at the heart of the White opinion. The natural conclusion to be drawn from the opinion is that once a speaker opens his mouth in the presence of another, any expectations regarding the confidentiality or privacy of the words uttered become un-justifiable, and therefore such expectations are unprotected by the fourth amendment.61 In so stating the law, the Supreme Court claimed that its "opinion is currently shared by Congress and the Executive Branch."62


60. 389 U.S. at 363 (White, J., concurring). The Fifth Circuit quoted this same excerpt in Koran v. United States, 408 F.2d 1321, 1323 (5th Cir. 1969), a case which anticipated the present Supreme Court decision. See note 36 supra.

61. Although the Supreme Court does not cite it, it is submitted that there is firm support for this proposition in the language of Katz. There, the Court stated that "[w]hat a person knowingly exposes to the public, even in his own home or office, is not subject to Fourth Amendment protection." 389 U.S. at 351. Several circuit court cases have relied on this statement. See, e.g., Koran v. United States, 408 F.2d 1321, 1323 (5th Cir. 1969); Dancy v. United States, 390 F.2d 370, 371 (5th Cir. 1968). See also United States v. White, 405 F.2d 838, 850 (7th Cir. 1969) (Castle, C.J., dissenting), rev'd, 401 U.S. 745 (1971).

62. 401 U.S. at 753. See Omnibus Crime Control and Safe Streets Act of 1968, tit. III, ch. 119, 18 U.S.C. §§ 2510 to 2520 (1970). This enactment has been considered a congressional response to the Berger and Katz decisions. See Note, Wiretapping and Electronic Surveillance — Title III of the Crime Control Act of 1968, 23 Rutgers L. Rev. 319, 326 (1969). This provision supersedes section 605 of the Federal Communications Act of 1934, 47 U.S.C. § 605 (1970), which did not cover the overhearing of a communication at the terminals of the communications system, nor the overhearing of a communication with the consent of one of the parties thereto. In addition, while section 605 prohibited the interception and disclosure of conversations by unauthorized persons, the Omnibus Act in section 2511
as well as by the American Bar Association.63

The dissenting justices did not deny the vitality of the Hoffa and Lewis decisions;64 in fact, they concede that in every conversation the speaker normally risks being overheard and being betrayed by his listener.65 However, those justices objected to the incorporation of the misplaced confidence doctrine into the law of electronic surveillance because "as soon as electronic surveillance comes into play, the risk changes crucially."66 All of the dissenting justices found the plurality only too further restricts the use of electronic surveillance by prohibiting the interception or disclosure of such conversations. 18 U.S.C. § 2511 (1970). See Scoular, Wiretapping and Eavesdropping Constitutional Development from Olmstead to Katz, 12 ST. LOUIS U.L.J. 513, 547 (1968).

The Act specifically endorses consensual participant monitoring, providing in pertinent part:

It shall not be unlawful under this chapter for a person not acting under color of law to intercept a wire or oral communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States or of any State or for the purpose of committing any other injurious act.


63. See AMERICAN BAR ASSOCIATION PROJECT ON MINIMUM STANDARDS FOR CRIMINAL JUSTICE, STANDARDS RELATING TO ELECTRONIC SURVEILLANCE (1971). Section 4.1 discusses consensual overhearing or recording and provides:

The [use of electronic surveillance techniques by law enforcement officers for the] surreptitious overhearing or recording of a wire or oral communication[s] with the consent of, or by, one of the parties to the communication should be permitted, unless such communication is overheard or recorded for the purpose of committing a crime or other unlawful harm. [Brackets and underscorings are included in the original.]

The American Bar Association states that the intended purpose of this section is the interpretation of the Supreme Court decisions in Berger, Katz and Osborn. Such a statement makes this section's purported support for White particularly susceptible to attack. See United States v. White, 401 U.S. 745, 790 n.25, 791 (1971) (Harlan, J., dissenting).

64. The plurality points out that even the Seventh Circuit did not deny the integrity of these decisions in reaching its opinion below. 401 U.S. at 749. It might be recalled that the Seventh Circuit merely denied the applicability of Hoffa and Lewis to the present case. See note 58 supra.

65. The present dissenting opinions are merely echoes of Mr. Justice Brennan's dissent in Lopez. In that opinion, two objections were raised to the practice of consensual participant monitoring: (1) the speaker should have the right of determining to what extent his words shall be communicated; and (2) a speaker has a right to expect inaccurate testimony from an informer, as well as a chance to impeach. See Lopez v. United States, 373 U.S. 428, 446 (1963) (Brennan, J., dissenting).

66. Id. at 465-66. Of equal importance to the dissenting justices is the correspondingly greater invasion of privacy presented by electronic betrayal. Justice Harlan suggested that electronic betrayal "goes beyond the impact on privacy occa-
willing to, as Justice Harlan put it, "merely recite the expectations and risks without examining the desirability of saddling them upon society." 67 Justice Harlan sought an earnest examination of the conflicting social issues underlying the use of electronic devices. His conclusion, which was shared by Justices Marshall, Douglas and Brennan, was that before a speaker should be deemed to have assumed the risk involved in a certain electronic snooping practice, the Court should assess "the nature of [the] particular practice and the likely extent of its impact on the individual's sense of security balanced against the utility of the conduct as a technique of law enforcement." 68 By employment of this balancing test, all of the dissenting justices concluded that it was reasonable to impose the risk of nonelectronic betrayal upon a speaker, but the invasion of privacy presented by electronic betrayal was so pervasive 69 that it demanded a warrant for its use. 70

There can be no doubt that the plurality evades any forthright examination of the conflicting social issues in the use of unwarranted electronic eavesdropping equipment. In so doing, the plurality shields itself by invocation of the talismanic phrase "assumption of risk." Although it might appear that the plurality has shirked its judicial responsibility, it must be noted that stating that a speaker assumes the risk that his listener is a bugged secret agent, is an effective way of saying that such risk is tolerable in light of the benefits rendered by such agents. 71

67. 401 U.S. at 787 (Harlan, J., dissenting). Mr. Justice Douglas agreed with this view, and quoted affirmatively Mr. Justice Brennan's dissenting opinion in Lopez: "Electronic aids add a wholly new dimension to eavesdropping. They make it more penetrating, more indiscriminate, more truly obnoxious to a free society." 401 U.S. at 759-60 (Douglas, J., dissenting), quoting Lopez v. United States, 373 U.S. 427, 466 (1963) (Brennan, J., dissenting). The dissenting justices reasoned that since electronic betrayal involved a distinctly greater invasion of privacy than nonelectronic betrayal, the constitutional line should be drawn between the two in regards to obtaining a warrant, especially since "[i]nterposition of a warrant requirement is designed . . . to secure a measure of privacy and a sense of personal security throughout our society." 401 U.S. at 790 (Harlan, J., dissenting).
68. 401 U.S. at 786 (Harlan, J., dissenting).
69. The dissenting justices would distinguish the risk of a listener's memorization and subsequent repetition of the conversation from the risk of its simultaneous recording or transmission. This position is based on Mr. Justice Brennan's dissent in Lopez, where he stated that "[t]here is no security from that kind of eavesdropping, no way of mitigating the risk, and so not even a residuum of true privacy." Lopez v. United States, 373 U.S. 427, 466 (1963). Justices Douglas and Goldberg shared the view of Mr. Justice Brennan, joining in his Lopez dissent. It has been suggested that Chief Justice Warren, in his concurring opinion in Lopez, 373 U.S. at 441, and Justice Stewart, writing for the majority in Osborn v. United States, 385 U.S. 323, 329 n.7 (1966), have expressed limited approval of Mr. Justice Brennan's view. See 14 Vill. L. Rev. 758, 763 n.47 (1969).
70. Mr. Justice Harlan concluded: "[f]or those more extensive intrusions that significantly jeopardize the sense of security . . . at the least warrants should be necessary." 401 U.S. at 786-87. Mr. Justice Douglas agreed that "the requirement of warrants under the Fourth Amendment is essential to a free society." Id. at 762.
71. See Note, supra note 2, at 657. The article discusses the tendency of the courts to resort to the phrase "assumption of risk" in cases involving unbugged secret agents. Id. at 652-58.
Despite the objections of the dissenting justices, the rationale behind *Hoffa* clearly shows that it is most amenable to application to the law of electronic surveillance. *Hoffa* went far in expounding and clarifying the *Lopez* concept of misplaced confidence.\(^7^2\) It is therefore only natural to look to *Hoffa* in other cases relying on that same aspect of *Lopez*. Since the Court demonstrated that, to a large degree, the entire field of electronic surveillance depends on *Lopez*, the broad applicability of *Hoffa* would seem to be a natural consequence, if not a necessity. Conversely, it is therefore not surprising that any reliance on *Hoffa* is subject to the same arguments as were posed by the dissenting Justices in *Lopez*.\(^7^3\)

Recognizing this, the Court stated that since the fourth amendment offers no protection against misplaced trust, which necessarily involves disclosure of the conversation by the informer himself, it cannot be construed to offer protection merely because a new means of dissemination is involved.\(^7^4\) Such a statement again refutes\(^7^5\) arguments based on Mr. Justice Brennan's dissenting language in *Lopez*.

Another argument posed against the present plurality opinion is whether a speaker has a right to anticipate that any conversations divulged to law enforcement authorities would come from the independent recollection of the informer and hence be inaccurate. The plurality treated this in a rather cursory fashion, and concluded that a defendant has no "Fourth Amendment privilege against a more accurate version of the events in question."\(^7^6\) When faced with the same problem in *Lopez*, the Court\(^7^7\) explained that the risk one takes in conversing with another fairly includes the risk that such conversation "would be accurately reproduced in court, whether by faultless memory or mechanical recording."\(^7^8\) Support may be drawn for the plurality's position from the *Katz* subjective standard of a reasonable and constitutionally justifiable expectation.\(^7^9\) The Court's consistency, however, in handling the issue probably indicates the futility of the argument.

The final point considered by the plurality was whether the absence of the informer at the time of the trial posed any fourth amendment

\(^7^2\) See note 25 supra. See also 19 Ala. L. Rev. 455 (1967).
\(^7^3\) See note 65 supra.
\(^7^4\) 401 U.S. at 752.
\(^7^5\) Justices Douglas and Brennan both point to their dissent in *Lopez* as the full embodiment of their present objections. Their argument was refuted in *Lopez*, and fell victim to the same fate here.
\(^7^6\) 401 U.S. at 753. The Court noted that "we are unpersuaded that [the speaker] would distinguish between probable informers on the one hand and probable informers with transmitters on the other." *Id.*
\(^7^7\) Mr. Justice Black, on the basis of his holding with the majority in *Lopez*, would probably agree with the plurality on this point.
\(^7^9\) Since the plurality has already indicated that at the moment the words leave the speaker's mouth any expectation he may have concerning the further confidentiality of them is unreasonable and therefore unprotected by the *Katz* doctrine, it is a simple step forward to say that he should not be surprised to be confronted in the courtroom by an exact reproduction of those words.
problems. The Court, relying on On Lee, answered in the negative, stating that while such unavailability at trial may pose evidentiary problems, it does “not appear critical to deciding whether prior events invaded the defendant’s Fourth Amendment rights.”80 This is a wholly plausible argument, because the alleged fourth amendment violation occurred at the time of the monitoring, not at the time of the trial. If such unavailability caused particularly harsh consequences, the best solution would be invocation of the Court’s supervisory power to exclude the evidence.81

Although the possibilities presented by unwarranted consensual participant monitoring may stagger the imagination, it is submitted that the logic of the Court’s present decision cannot be faulted. The Court effectively ties together all its recent decisions regarding privacy of conversation, thereby establishing a general rule that neither consensual participant recording nor transmitting requires a warrant. For the Court to have adopted any other position would have involved either a complete break with prior precedents, or acceptance of a rule based upon overly restrictive readings of previous case law. By adopting its present approach, the Court gives clarity and unity to the field of electronic surveillance.

While the Court has seemingly closed the door to policy arguments against the practice of consensual participant monitoring in general, it may choose to consider possible specific limitations. Possible limitations include: (1) use of the supervisory power to exclude evidence obtained by a particularly repulsive use of electronic surveillance;82 (2) invocation of the supervisory power to exclude evidence if inability to cross-examine the other participant makes it impossible to establish a possible entrapment defense or to show that the evidence produced is not an accurate or complete record;83 and (3) expansion of the doctrine of Massiah v. United States84 to include statements made prior to arrest. The viability of these limitations can be determined only through future decisions of the Supreme Court, which has given no indication that its examination of electronic surveillance has been concluded.

Francis P. Devine

80. 401 U.S. at 753-54.
81. See Lopez v. United States, 373 U.S. 427, 441 (1963) (Warren, C.J., concurring). Chief Justice Warren would limit the use of evidence gained by consensual participant monitoring to corroborating the informer’s testimony in some such cases. See note 50 supra. Such power is available to the Court by means of its supervisory power. 373 U.S. at 446 n.3.
82. Mr. Justice Black proposed this very idea in the first consensual monitoring case. See On Lee v. United States, 343 U.S. 747, 758 (1952) (Black, J., dissenting).
83. See Greenawalt, supra note 4, at 228. This may be particularly important considering the precise methods of splicing tapes apparently available. See Lopez v. United States, 373 U.S. 427, 468 n.17 (1963) (Brennan, J., dissenting); DASH, SCHWARTZ & KNOWLTON, THE EAVESPONDER (1959).
CONSTITUTIONAL LAW — CRIMINAL PROCEDURE — RIGHT TO A
SPEEDY TRIAL — WHERE THERE HAS BEEN A SUBSTANTIAL DELAY
AND CLAIMANT RAISES A PRIMA FACIE SHOWING OF RESULTANT
HARM, BURDEN OF PROVING ABSENCE OF PREJUDICE HELD TO BE
ON COMMONWEALTH.

Commonwealth v. Clark (Pa. 1971)

In 1951 petitioner Clark, while serving a ten to twenty-five year
sentence for robbery, confessed to the warden of the Indiana State
Reformatory to the commission of various crimes in the Philadelphia
area including murder. On February 4, 1952, the petitioner was brought
to Philadelphia where he executed a signed confession confirming his
earlier statements. Subsequent to petitioner's return to Indiana, he was
indicted on a murder charge by a Philadelphia grand jury, but was not
notified of this fact. Petitioner was released to the custody of Pennsyl-
vania authorities in October, 1958, and was tried on the Pennsylvania
murder charge on March 30, 1959. Clark was convicted of murder in the
first degree and sentenced to life imprisonment.¹

Petitioner filed for relief in 1967,² and an evidentiary hearing was
subsequently held on August 25, 1970. The court held that Clark had
not been deprived of his sixth amendment right to a speedy trial and
denied his motion for a discharge or a new trial, finding that the delay
was not unreasonable under all the circumstances, and that Clark was
not prejudiced in defending the charge.³

Clark appealed from this ruling, basing his claim upon a seven year
delay between indictment and conviction which deprived him of his right
to a speedy trial as guaranteed by the sixth and fourteenth amendments
of the United States Constitution. The Pennsylvania supreme court
reversed and remanded,⁴ holding that where claimant suffered a substan-

¹ At his trial petitioner denied committing the murder, stating his confession
was a fabrication designed to secure transfer away from his cellmate. Commonwealth
v. Clark, Pa., 279 A.2d 41, 43 (1971).

² Although Clark made no direct appeal from his judgment of sentence, he
petitioned pursuant to the Post Conviction Hearing Act, Pa. Stat. tit. 19, §§ 1180-1
et seq. (1965). Thereafter, petitioner filed post trial motions contending, inter alia,
that he had been denied his right to a speedy trial. The hearing court, although
rejecting petitioner's other claims, held that an evidentiary hearing was necessary
in order to resolve the speedy trial claim. Commonwealth v. Clark, No. 287 (C.P.,
Trial Div., Crim. Section, Philadelphia County, Oct. 1, 1969). The court ordered
a new trial to enable petitioner to raise that issue in a pretrial hearing. The
Commonwealth appealed from the order granting a new trial, and the Supreme
Court of Pennsylvania, on the basis that a new trial was inappropriate merely to
provide a forum for an evidentiary hearing, vacated that order and remanded the
record for further proceedings on the claim of denial of a speedy trial. Commonwealth

³ Commonwealth v. Clark, No. 287 (C.P., Trial Div., Crim. Section,
Philadelphia County, Nov. 16, 1970).

⁴ The court felt that the Commonwealth might have assumed in good faith
that the claimant had the burden, and thus remanded to allow it to meet its newly
raised burden. ___ Pa. at ___, 279 A.2d at 50.
tial delay and his uncontradicted testimony raised a prima facie showing of resultant harm, the burden to affirmatively prove the absence of prejudice properly rested upon the Commonwealth. Commonwealth v. Clark, ___ Pa. ___, 279 A.2d 41 (1971).

The right to a speedy and public trial — traditional in Anglo-American jurisprudence — is guaranteed by the sixth amendment of the United States Constitution. Nevertheless, this right has only recently been made applicable to the states, through the due process clause of the fourteenth amendment, via the case of Klopfer v. North Carolina. Prior to this decision, however, the Supreme Court had articulated that the speedy trial guarantee served a three-fold purpose:

[1] to prevent undue and oppressive incarceration prior to trial, [2] to minimize anxiety and concern accompanying public accusation and [3] to limit the possibilities that long delay will hamper the ability of the accused to defend himself. In this context, the Supreme Court in Smith v. Hooey, finding that the dangers of the harms expressed in Ewell were "both aggravated and compounded in the case of an accused who is imprisoned in another jurisdiction," abandoned the so-called majority rule which held that the states had no affirmative duty to make a good faith effort to bring these individuals into custody in order to bring them to trial.

5. U.S. Const. amend. VI. This right is also constitutionally guaranteed in forty-three states, among them Pennsylvania. Pa. Const. art. I, § 9, reads in pertinent part: "In all criminal prosecutions the accused hath a right to . . . a speedy public trial . . . ."
11. Prior to Klopfer, there existed a large majority of decided cases holding that the state had no affirmative duty to bring to trial an accused serving a prison sentence in another jurisdiction. E.g., Ruip v. Commonwealth, 415 S.W.2d 372 (Ky. 1967); Dreadfulwater v. State, 415 P.2d 493 (Okla. Crim. App. 1966); Cooper v. Texas, 400 S.W.2d 890 (Tex. 1966). The formalistic conception of sovereignty was the foremost rationale advanced for this proposition, since the sovereign seeking to try the prisoner did not have the power and the authority to bring him to trial. This rule applied even if the custodial sovereign agreed to allow the other sovereign to try their prisoner. Lawrence v. Blackwell, 298 F. Supp. 708, 712 (N.D. Ga. 1969). See Note, Effective Guarantee of a Speedy Trial for Convicts in Other Jurisdictions, 77 Yale L.J. 767 (1968).

Another view expounded to justify the so-called majority rule was that the accused has, in fact, waived his right to a speedy trial when he flees the accusing jurisdiction. It has also been justified by the substantial expense involved in securing temporary custody and transporting the accused to and from trial. See Dreadfulwater v. State, 415 P.2d 493 (Okla. Crim. App. 1966). Finally, it has been suggested that one of the reasons for allowing such a delay is the relief it gives overworked prosecutors who may welcome a chance to postpone. See Note, Detainers and the Correctional Process, 1966 Wash. U.L.Q. 417, 418-19.
In its most recent decision in this area, the Supreme Court in *Dickey v. Florida* was faced with similar facts to those in *Smith.* In *Dickey*, the Court reversed the decision of the Florida district court of appeals, finding actual prejudice on the record, and concluding that the unreasonable delay (seven years) in conjunction with evidence of prejudice made remand unnecessary. Although the Court remained silent as to the retroactive effect of *Smith*, by applying this rule as it did in *Dickey*, the Court effectively accorded retroactive treatment of the *Smith* holding.

Notwithstanding their effect upon the law in this area, these cases have resulted in two unsettled questions: first, it has not been conclusively determined whether prejudice is a necessary element to invoking this constitutional right; and second, if prejudice is an element, it remains to be determined who should bear the burden of proving the presence or absence of actual harm resulting from the delay.

Recently, in *United States v. Ewell*, the Supreme Court held that the establishment of prejudice was necessary for one to be denied his right to a speedy trial, and placed the burden upon the accused to

13. In *Smith*, the defendant, while a prisoner in the federal penitentiary in Leavenworth, Kansas, was indicted in Texas on charges of theft. In *Dickey*, the defendant in a federal prison in a foreign jurisdiction was awaiting prosecution on a Florida state charge.
15. 398 U.S. at 38.
16. In *Dickey*, the *Smith* holding was applied to state conduct occurring prior to *Smith*.
17. In *United States v. Jackson*, 369 F.2d 936 (4th Cir. 1966), the court held that prejudice must always be shown. However, in *United States v. Lustman*, 258 F.2d 475 (2d Cir. 1958), it was stated that no showing of prejudice was required when a sixth amendment speedy trial claim is presented.
19. 383 U.S. 116 (1966). In *Ewell*, the defendants had already been sentenced to prison when a subsequent circuit court decision invalidated the convictions. *Laver v. United States*, 320 F.2d 187 (7th Cir. 1963). The defendants were released from prison, only to learn that they had served nineteen months of their sentence. Upon release, they were immediately rearrested on new complaints. The district court granted defendants' motion to dismiss on the ground that they had been denied their right to a speedy trial. *United States v. Ewell*, 242 F. Supp. 451 (S.D. Ind. 1964); *United States v. Dennis*, 242 F. Supp. 166 (S.D. Ind. 1964). The Government's petition for rehearing on the dismissal of the indictment was denied by the district court. On direct appeal, the Supreme Court reversed, holding that the delay was not a violation of the defendants' right to a speedy trial.
20. 383 U.S. at 120. The Court stated that the nineteen month delay did not by itself demonstrate a violation of the sixth amendment guarantee of a speedy trial, but instead looked for a showing of the types of prejudice which the guarantee was designed to obviate.
bring forth proof of such prejudice. Although this decision appeared to answer the undetermined questions, the case had only limited application and was therefore not determinative. In three kindred cases subsequent to *Ewell*, the implication clearly arose that prejudice was a necessary element to show an abridgement of the speedy trial right. However, since the courts currently lack any express guidelines concerning the burden of proof, that issue has not been resolved with any great degree of uniformity.

In *Clark*, the Commonwealth initially conceded that no effort, diligent or otherwise, was made to bring the petitioner to trial in Pennsylvania between 1952 and 1959, but argued that its conduct was not unreasonable in light of the fact that the constitutional duty to bring prisoners from other jurisdictions to trial was far from clear prior to the United States Supreme Court decision in *Smith v. Hooey*. The court countered, stating that it was not concerned with finding fault with the Commonwealth, but rather with ensuring constitutionally fair trials. Moreover, the court found that even under the less strict standards applicable prior to *Smith*, the Commonwealth's conduct would have fallen short in the present case. Nevertheless, Mr. Justice Roberts, speaking for the

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21. *Id.* at 122. The Court stated: [A]ppellee's claim of possible prejudice in defending themselves is insubstantial, speculative and premature. They mention no specific evidence which has actually disappeared or has been lost, no witnesses who are known to have disappeared. Thus, the Court refused to find an abridgement of the accused's right to a speedy trial where he has not shown prejudice.

22. The Court had not yet held that the sixth amendment right to a speedy trial applied to the states through the fourteenth amendment. Thus, the practical effect of the decisions was limited to those cases arising in the federal courts.

23. In *Smith v. Hooey* and *Klopfer v. North Carolina*, the cases were remanded for determination of whether or not the accused had been prejudiced. In *Dickey v. Florida*, the Court concluded that the unreasonable delay in conjunction with the evidence of prejudice made a remand unnecessary, and reversed. All three decisions show a clear implication that prejudice is a necessary element of the speedy trial claim.

24. Although the Court in *Ewell* placed the burden of proof upon the defendant, neither *Klopfer*, *Smith*, nor *Dickey* reaffirmed that position. For a complete analysis of this issue, see *Note on Constitutional Right to a Speedy Trial: The Element of Prejudice and the Burden of Proof*, 44 TEMP. L.Q. 310 (1971). See also *Note, The Right to a Speedy Criminal Trial*, 57 COLUM. L. REV. 846, 847 n.7 (1957).

After *Klopfer*, future speedy trial cases in state courts will be measured by federal standards. This, however, does not mean that the state guarantees of a speedy trial are unimportant. These guarantees will continue to have operative significance to the extent that they furnish greater protection than does the federal guarantee, and to the extent that the federal law on speedy trials is unclear. Cf. *Note, Freedom of Expression Under State Constitutions*, 20 STAN. L. REV. 318 (1968).

25. *Id.* at 32, 279 A.2d at 46.
26. *Id.* at 32, 279 A.2d at 47.
27. *Id.* The court stated: [T]wo of the traditional justifications for a state's failure to attempt to try persons convicted in other jurisdictions were the accused state's lack of power and authority to gain custody of such persons and a desire to avoid the expense of temporary extradition for trial. But Pennsylvania did in fact gain custody of appellant in the early part of 1952 when it had him brought to Philadelphia to execute a signed confession. Thus, the Commonwealth can scarcely be heard to complain that it lacked the power and the authority to afford appellant a speedy trial. For the same reason there can be no merit in any argument that
majority in Clark, made it quite clear that notwithstanding the Commonwealth's breach of its constitutional duty, "he [Clark] is still not entitled to any relief unless he was prejudiced by the delay."

In examining whether the instant petitioner was prejudiced, the court analyzed the three-fold purpose of the sixth amendment speedy trial guarantee articulated in United States v. Ewell as it applied to the facts of the present case. The Clark court first determined that oppressive incarceration prior to trial can manifest itself as an irretrievable loss of the possibility of receiving a partially concurrent sentence with the one presently being served. In the present case, however, the court found no suggestion that petitioner suffered any undue or oppressive incarceration as a result of the delay. Secondly, the court recognized that since petitioner was unaware of the Pennsylvania indictment, he could suffer no anxiety, emotional distress, or impediment to his rehabilitation as a result of the public accusation. Finally, the court discussed the third purpose, announced in Ewell, of the speedy trial guarantee — limitation of the possibility that long delay will hamper the ability of the accused to defend himself. Since this possibility is increased when the accused is a prisoner in another jurisdiction, the court found it could not overlook petitioner's claim that a seven year delay of his trial impaired his ability to prepare a defense. The Clark court examined

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the seven year postponement of appellant's trial was rendered reasonable by a desire to save the state the monetary costs of temporary extradition.

28. See text accompanying note 7 supra.

29. See text accompanying note 7 supra.

30. Pa. at 279 A.2d at 47-48. This refers to the increased duration of the imprisonment as well as to worsened conditions of that imprisonment.

31. Id. The Indiana imprisonment was not adversely affected; nor, in light of Clark's present sentence of life imprisonment, was his incarceration lengthened by reason of delay.

32. Id.

33. Id.

34. Pa. at 279 A.2d at 48-49. The court stated:

At his trial in 1959, appellant offered no alibi defense. His two court appointed attorneys had visited him in prison after his return to Pennsylvania in 1958 in order to discuss the preparation of his defense. According to appellant, when they asked him to recall his movements and whereabouts on March 3, 1951, the approximate date of the murder, he responded that he thought he had been in Baltimore, Maryland at the time but could not remember the names or addresses of any potential witnesses.

In addition to the loss of a possible alibi defense, appellant claims that his opportunity to convince the jury of the falsity of his confession was eroded by the passage of time. At trial appellant testified that in the weeks and months following his return to Indiana he recanted and repudiated his confession to numerous persons at the Indiana State Reformatory. He supplied his attorneys with the names of five such individuals, including a prison psychiatrist, a chaplain and a deputy warden. None of these persons appeared at trial, and appellant testified that the reason for their absence lay in the fact that when his lawyers attempted to contact them they were no longer at the Indiana institution and could not be located.

Finally, appellant asserts that the seven year pretrial delay further hindered his ability to demonstrate the untruthfulness of his confession by causing the loss of an opportunity to prove the falsity of a specific portion of the confession wherein he stated that he had pawned a ring owned by the victim. Appellant testified that the ring mentioned in the confession actually belonged to him,
the actions of the hearing court which found that petitioner's testimony was unworthy of belief, and the delay of his trial did not impair his ability to defend himself. Clark decided that the lower court "must have necessarily concluded that appellant bore the burden of affirmatively demonstrating prejudice," but disagreed with this conclusion, stating that "[o]n this record, we think that the allocation of the burden of proof was erroneous."

The Supreme Court of Pennsylvania was faced with a great divergence of opinion as to what role prejudice should play in a speedy trial determination. A few jurisdictions require that the accused show prejudice in all cases alleging denial of a speedy trial, while others require no showing of prejudice when asserting a constitutional right under the sixth amendment. The Clark court discussed various intermediate positions, the first of which establishes a conclusive presumption of prejudice after there has been a substantial delay. A second view places the initial burden of proving prejudice upon the accused, with a rebuttable presumption of prejudice arising if there has been a substantial delay. A third, suggested by Mr. Justice Harlan, requires the prosecution to negate the presence of harm whenever an accused establishes a prima facie showing of prejudice.

In light of these views, the court in the instant case initially found "that the categorical rule requiring a defendant to prove actual prejudice in all circumstances is unsupportable." Clark then restated a commentator's conclusion that, "'[w]ith the exception of the due process clause, no procedural safeguard in the Bill of Rights designed to assure the reliability of the guilt-determination process other than the right to a speedy trial . . . [has been held to require] a defendant to show actual prejudice in order to establish a violation of that safeguard.'" How-

not the victim, but that this fact could not be verified inasmuch as the ring had been resold by the time his attorneys visited the pawn shop.

35. The Commonwealth offered no evidence to dispute the petitioner's testimony at the evidentiary hearing.

36. __ Pa. at __, 279 A.2d at 49.

37. Id.

38. E.g., United States v. Jackson, 469 F.2d 936, 939 (4th Cir. 1966).


43. __ Pa. at __, 279 A.2d at 49.


In the Bill of Rights, there are nine procedural guarantees, other than the speedy trial and due process provisions, that promote the reliability of the guilt-determination process. The nine include: the fifth amendment privilege against self-incrimination; the eighth amendment prohibition against excessive bail; and the sixth
ever, relying on the explicit language of the sixth amendment, the court found it difficult to reconcile this statement with the Supreme Court holding in *Klopfer* that the speedy trial guarantee is "as fundamental as any of the rights secured by the sixth amendment." \(^{46}\)

amendment rights which include the right to a public trial and an impartial jury, the right to be informed of the nature and cause of the accusation, to be tried in the district in which the crime was committed, to confront the prosecution’s witnesses, and to have the assistance of counsel.

The privilege against self-incrimination primarily serves to protect the dignity and integrity of the individual. *See* Miranda v. Arizona, 384 U.S. 436, 460 (1966). Additionally, the fact that a coerced confession may be untrustworthy requires its exclusion at trial to promote the reliability of the guilt-determination process. *Rodgers v. Richmond*, 365 U.S. 534 (1961).

One of the functions of the prohibition against excessive bail is to assure that the accused will not be hampered in his ability to prepare his defense. *See* Stack v. Boyle, 342 U.S. 1 (1951).

To restrain the potential abuses of judicial power and to increase the possibility that unknown persons may come forward to reveal relevant facts that may lead to the accused’s guilt or innocence, the right to a public trial was adopted. *In re Oliver*, 333 U.S. 257 (1948).

The defendant must show that there were preconceived opinions concerning his guilt or innocence before the defendant can assert that he was denied his right to an impartial jury. *Reynolds v. United States*, 98 U.S. 145 (1878).

In order to comply with the defendant’s right to be informed of the nature and the cause of the accusation against him, the Government is required to prepare a charge which must contain a description of the alleged offense that would enable the defendant to present a defense. *See* *Rosen v. United States*, 161 U.S. 29 (1896).

The right to be tried in the district in which the crime was committed "is a safeguard against the unfairness and hardship involved when an accused is prosecuted in a remote place." *United States v. Cores*, 356 U.S. 405, 407 (1958).

The right of confrontation and cross-examination of the prosecution’s witnesses is also an essential factor in maintaining the reliability of the guilt-determination process.

[C]ertainly no one experienced in the trial of lawsuits, would deny the value of cross-examination in exposing falsehood and bringing out the truth in the trial of a criminal case.


The defendant’s right to compulsory attendance of witnesses may be fundamental to his ability to prepare and present a defense. *United States v. Davenport*, 312 F.2d 303 (7th Cir.), cert. denied, 374 U.S. 841 (1963).

The right to counsel is one of the most fundamental rights in maintaining the reliability of the guilt-determination process, since most individuals are unable to prove their innocence without an attorney’s assistance. *Powell v. Alabama*, 287 U.S. 45 (1932). The Supreme Court, in determining whether this guarantee had been violated, has demonstrated an increasing attitude toward the role of prejudice. In *Johnson v. Zerbst*, 304 U.S. 458 (1938), the Court held that unless waived, the right to counsel for an indigent was absolute in all federal criminal proceedings. In *Betts v. Brady*, 316 U.S. 455 (1942), the Court held that there was no violation of due process when a state fails to appoint counsel for an indigent unless under the particular facts of the case it was "offensive to the common and fundamental ideas of fairness." *Id.* at 473. In the following cases, the requirement of prejudice was abandoned. In *Hamilton v. Alabama*, 368 U.S. 52 (1961), the Court held that regardless of prejudice, the defendant in a capital case requires the appointment of counsel. Later, in *Chewning v. Cunningham*, 368 U.S. 443 (1962), the *Hamilton* rule was extended to trials in which the defendant was being charged with being an habitual criminal. Finally, in *Gideon v. Wainwright*, 372 U.S. 335 (1963), the sixth amendment right to counsel was made applicable to the states. *See generally Note*, supra, at 494 n.131.

45. The precise language of the sixth amendment is that "[i]n all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial . . . ." U.S. CONST. amend. VI. The *Clark* court’s paraphrase of this language is quite exact: "every criminal defendant enjoys an unequivocal and unconditional right to a speedy trial." —— Pa. at ———, 279 A.2d at 49.

46. 386 U.S. at 223.
Mr. Justice Roberts, speaking for the court in Clark, emphasized that it was difficult to comprehend why a violation of the right to a speedy trial should be consigned to an inferior status and treated less favorably than violations of other constitutional rights. Justice Roberts also commented on the fact that any requirement that an accused prove actual prejudice would also directly conflict with the general rule that "before federal constitutional error can be held harmless, the court must be able to declare a belief that it was harmless beyond a reasonable doubt." By this, the court was apparently articulating yet another manifestation of the current misallocation of the burden of proof of prejudice.

Even though the Pennsylvania supreme court engaged in such strong language advocating elevation of the status of the right to a speedy trial to one which in all circumstances the accused would be free of any necessity of demonstrating prejudice, it did not feel it necessary to reach such a decision because of the facts in Clark. It is submitted, however, that the court, on the basis of its foregoing rationale, would have held this to be the case had it been faced with this particular problem.

Nevertheless, the Clark court did explicitly hold that where appellant suffered a seven year delay and raised a prima facie showing of resultant

47. ___ Pa. at ___, 279 A.2d at 50. It follows that the court felt the speedy trial right should be elevated to the status of the other constitutional rights.

48. Chapman v. California, 386 U.S. 18, 24 (1967). This approach of requiring the beneficiary of the error to prove that it was harmless or forego the erroneously obtained judgment is directly opposed to the doctrine applied by the state to trial error, where the person alleging error must prove that it was harmful. Noonan v. Paine, 293 N.Y. 892, 49 N.Y.S.2d 90 (1944); Insurance Dep't v. Johnson, 432 Pa. 543, 248 A.2d 308 (1968); Dixon v. McNamara, 188 Pa. Super. 250, 146 A.2d 744 (1958).

49. When a sixth amendment right to a speedy trial is at stake, it may be more realistic to assume prejudice once the accused was denied a reasonable prosecution. Within the context of the sixth amendment, the defendant generally is not required to show that he was prejudiced by the denial of safeguards: See Douglas v. Alabama, 380 U.S. 415 (1965) (confrontation); Hamilton v. Alabama, 368 U.S. 52 (1961) (counsel); Johnston v. United States, 351 U.S. 215 (1956) (trial in the district where the crime was committed); Dennis v. United States, 339 U.S. 162 (1950) (impartial jury and compulsory process); United States v. Seeger, 303 F.2d 478 (2d Cir. 1964) (knowledge of the charges against him); United States v. Kob, 172 F.2d 919 (3d Cir. 1949) (public trial). Prejudice is usually presumed when any of these safeguards is shown to have been denied, the reason being that concrete evidence that their denial has caused the defendant substantial prejudice is often unavailable; if prejudice is not presumed, this denial of constitutional protection is without a remedy. Therefore, prejudice would only become an issue, as a rule, if the Government wishes to argue harmless error.

50. See note 34 supra.

51. As Mr. Justice Brennan stated:
It [the right to a speedy trial] is intended to spare an accused those penalties and disabilities — incompatible with the presumption of innocence — that may spring from delay in the criminal process.


Consider also the real effect upon the accused:
In a very real sense, the extent to which he was prejudiced by the Government's delay is evidenced by the difficulty he encountered in establishing with particularity the elements of that prejudice.

harm through his uncontradicted testimony, at least in such circumstances the Commonwealth should bear the burden of affirmatively proving the absence of prejudice.\textsuperscript{52} Moreover, the court's strong language with respect to due process and the elevation of the status of the speedy trial right\textsuperscript{59} gives rise to the possible inference that an accused need merely show a substantial delay to raise his prima facie case,\textsuperscript{84} thereby implying that less may be required by an accused to shift the burden to the Commonwealth.

The court considered another aspect of this case, and by way of dicta appeared to repudiate the "demand doctrine."\textsuperscript{55} Although the court

\textsuperscript{52} \mdseries{\textsuperscript{52}} Pa. at \textsuperscript{53}, 279 A.2d at 50.

\textsuperscript{53} \textit{See} note \textsuperscript{49} supra.

\textsuperscript{54} The court would, of course, be required to make a decision as to what criteria would be used in deciding to which delays the safeguards apply. The court could first look to the source of the delay, since a defendant cannot complain of delays attributable to himself. \textit{See}, \textit{e.g.}, United States \textit{v.} Lustman, 258 F.2d 475, 477 (2d Cir.), \textit{cert. denied}, 358 U.S. 880 (1958). Such a delay might be one resulting from his own pretrial motions. \textit{See} Osborne \textit{v.} United States, 371 F.2d 913, 925-26 (9th Cir. 1967); United States \textit{v.} McIntyre, 271 F. Supp. 991, 997 (S.D.N.Y. 1967); State \textit{v.} Barnes, 221 N.E.2d 482 (Ohio Ct. App. 1966). The defendant cannot complain of delays due to his own incompetence to stand trial. \textit{See} United States \textit{v.} Davis, 365 F.2d 251 (6th Cir. 1966); Howard \textit{v.} United States, 261 F.2d 729 (5th Cir. 1958). Nor could the accused complain, as a general rule, of delays resulting from such things as court procedure or congested dockets. \textit{See} King \textit{v.} United States, 265 F.2d 567 (D.C. Cir.), \textit{cert. denied}, 359 U.S. 998 (1959); Chinn \textit{v.} United States, 228 F.2d 151 (4th Cir. 1955); McDonald \textit{v.} Hudspeth, 113 F.2d 984 (10th Cir.), \textit{cert. denied}, 311 U.S. 683 (1940). The death of a trial judge is not the kind of delay to which the safeguards should be applied. \textit{See} United States \textit{v.} Jackson, 369 F.2d 936 (4th Cir. 1966). A delay will generally violate the right to a speedy trial only if it was caused by those agencies of the Government responsible for bringing the defendant to trial — the police and the prosecuting attorney. \textit{See} Miller \textit{v.} Rodriguez, 373 F.2d 26, 28 (10th Cir. 1967); State \textit{v.} Patton, 260 N.C. 359, 364, 132 S.E.2d 891, 894 (1963); \textit{In re} Norman's Petition, 184 A.2d 601 (Del. 1962).

Conversely, this would also require the court to decide whether a delay by the Government is reasonable. Clearly a deliberate attempt by the Government to use delay to the accused's delay that is "purposeful or oppression", is unjustifiable. Pollard \textit{v.} United States, 352 U.S. 354, 361 (1957). An unnecessary delay, whether intentional or negligent, is unreasonable since each is equally damaging. Hanrahan \textit{v.} United States, 348 F.2d 363, 368 (D.C. Cir. 1965); United States \textit{v.} Reed, 285 F. Supp. 738, 741 (D.D.C. 1968). However, a mistake by the prosecution that could not reasonably have been avoided is excusable. \textit{See} Miller \textit{v.} Rodriguez, 373 F.2d 26 (10th Cir. 1967) (six year delay attributable to the vacating of defendant's previous sentence). \textit{See also} United States \textit{v.} Ewell, 383 U.S. 116 (1966) (delay resulting from an unanticipated defect in indictment attributable to a change in law); Allen \textit{v.} State, 1 Md. App. 249, 229 A.2d 446 (1967) (three year delay attributable to reversals of previous convictions). Therefore, the crucial question in determining the legitimacy of the delay is whether it might reasonably have been avoided, or whether it was necessary.

\textsuperscript{55} \mdseries{\textsuperscript{55}} Pa. at \textsuperscript{56}, 279 A.2d at 46. The "demand doctrine" is a judicially created rule which has been followed by a majority of both state and federal jurisdictions. \textit{E.g.}, Bruce \textit{v.} United States, 351 F.2d 318 (5th Cir. 1965); United States \textit{v.} Lustman, 258 F.2d 475 (2d Cir.), \textit{cert. denied}, 358 U.S. 880 (1958); United States \textit{v.} Holmes, 168 F.2d 888 (3d Cir. 1948); Collins \textit{v.} United States, 157 F.2d 409 (9th Cir. 1946). The doctrine requires some affirmative action on the part of the accused, such as a request for a speedy trial or the resisting of a proposed postponement. Thus, silence or inaction is deemed a waiver of the sixth amendment right to a speedy trial. For a detailed discussion, \textit{see} Note, \textit{Effective Guaranty of a Speedy Trial for Convicts in Other Jurisdictions}, 77 \textit{Yale L.J.} 767, 778-79 (1968); \textit{Note, The Right to a Speedy Criminal Trial}, 57 \textit{COLUM. L. REV.} 846, 852-55 (1957); \textit{Note, supra} note \textsuperscript{44}, at 478-80. However, there has been some variance to the
noted the considerable case law construing both *Smith v. Hooey* and *Dickey v. Florida* to the narrow situation where the defendant unsuccess-
fully demands trial, it nevertheless labeled the doctrine as being "highly
suspect." Clark expressed dissatisfaction with the rule, citing Justice
Brennan's concurring opinion in *Dickey* which enunciated several of its
questionable aspects: "First, it rests on what may be an unrealistic under-
standing of the effect of delay."

Mr. Justice Brennan stated that there
was a misconception that delay is always welcomed by a defendant, since
the purposes of the speedy trial guarantee as expressed in *Ewell* are
directly inconsistent with such an understanding. "Second, the equation
of silence or inaction with waiver is a fiction that has been categorically
rejected by this court when other fundamental rights are at stake." Therefore, it seems anomalous for the accused to be required to affirm-
atively act to preserve the right rather than to waive it. "Third, it is
possible that the implication of waiver from silence or inaction misalloca-
tes the burden of ensuring a speedy trial. . . . If a prosecutor fails to
do so, the defendant cannot be held to have waived his constitutional right
to a speedy trial."

The Clark court found these shortcomings to be most disturbing,
stating however, that they need not decide them in the instant case, since
it was self-evident that such a rule is inapplicable to one who is unaware
of the pending charges against him. Thus, the court found petitioner
falling squarely within the well-recognized exceptions to the demand
doctrine as elucidated in *Pitts v. North Carolina* where the restricting
factors of ignorance, imprisonment, and lack of counsel preclude the
need for a demand.

As a practical matter, the Pennsylvania supreme court's placement
of the burden upon the Commonwealth allocates it to the party with
superior resources available for insuring that the trial will be promptly
held. Additionally, the court has also created an incentive for the prose-

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56. ___ Pa. at ___, 279 A.2d at 46.
concurring).
58. 398 U.S. at 50.
59. ___ Pa. at ___, 279 A.2d at 46.
60. 398 U.S. at 50-51.
61. ___ Pa. at ___, 279 U.S. at 46.
(1960).
63. *Id.* at 47.
64. 395 F.2d 182 (4th Cir. 1968).
65. ___ Pa. at ___, 279 A.2d at 47. Making its position even clearer, the court
stated:

Even assuming arguendo that the demand rule has any general merit, an
uncounseled failure to demand a trial upon unknown charges can scarcely
be viewed as a knowing and intelligent waiver of Sixth Amendment rights.
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cution to bring defendants imprisoned in other jurisdictions to trial within a reasonable period of time, thus giving society a remedy for inaction or dilatory practices by prosecutors. Moreover, since it is the prosecution which is the party initiating the case against the criminal defendant, it is submitted that the court’s decision to place upon it the burden of demonstrating the reasonableness of its priorities to the accused is readily justifiable. The court apparently feels it patently unfair to require the accused to suffer an abridgment of his constitutional right to a speed trial simply because the prosecution does not deem criminal justice deserving of additional financial investment.

Even though the importance of the Clark opinion lies within its holding on the issue of burden of proof, the exceptionally strong dicta which underscored the defects of the demand doctrine has in all probability repudiated this judicially created rule in Pennsylvania. Coupled with the emphasis the court placed upon the classic definition of waiver of a fundamental right which requires a knowing and intelligent relinquishment of that right, this dicta will have an extreme eroding effect upon the doctrine should it survive the Clark opinion.

Allen M. Silk
TRADE SECRETS — PROTECTION OF TRADE SECRET AGREEMENTS DOES NOT CONFLICT WITH THE CONSTITUTIONAL REQUIREMENTS OF FEDERAL PATENT POLICY.

Painton & Co. v. Bourns, Inc. (2d Cir. 1971)

Bourns, Inc., entered into a contract with Painton & Co., Ltd.,1 whereby Bourns was to supply the necessary engineering and manufacturing know-how to Painton to enable the latter to manufacture worm gear or lead screw actuated potentiometers.2 Pursuant to that contract, all of the plans, data and technical know-how received by Painton were to be maintained as confidential information.3 Sometime during the life of the 1962 agreement,4 Bourns obtained a British patent. Four types of potentiometers manufactured by Painton were said to have embodied features covered by the patent.5 On August 13, 1968, Bourns notified Painton of Bourns' intention to terminate the agreement in accordance with the contract terms.6 Painton reacted to this notice by filing a complaint on September 26, 1968, in the United States District Court for the Southern District of New York,7 asserting that it had paid more than $340,000 for the material and drawings, and was therefore entitled to their permanent retention and use. The district judge, relying on the Supreme Court's decision in Lear, Inc. v. Adkins,8 decided that regardless of the construction of the 1962 contract, the Court's decision in Lear prevented judicial enforcement of Bourns' claims for trade secret protection, with respect to any models covered by the British patent, until the validity of the patent should be upheld.9 The judge then made the broader holding that even as to models for which Bourns had made no patent application, Painton was not required

1. Painton & Co. v. Bourns, Inc., 442 F.2d 216 (2d Cir. 1971). The important provisions of the contract are contained in the opinion of the court. Id. at 219.
2. Id. at 218. A potentiometer is an instrument used for the precise measurement of electromotive forces. A part of the voltage to be measured is balanced against that of a known electromotive force, and then computed by the law of "fall of potential." WEBSTER'S NEW INTERNATIONAL DICTIONARY 1775 (3d ed. 1971).
3. 442 F.2d 220. Paragraph 19 of the agreement provides: All of the plans, data, and technical know-how received by Painton under this Agreement or previous agreements shall be deemed and maintained confidential except information published in Bourns' catalogs.
4. There were two other contracts, one in 1958 and another in 1960. Both of these earlier agreements were cancelled, and all claims under them were released by paragraphs 1 and 2 of the 1962 agreement. Id. at 218.
5. Id. at 220.
6. Id. at 220. Paragraph 6 of the Agreement provides: Unless otherwise terminated as herein provided, this Agreement shall terminate at midnight October 24, 1968, California time. However, although this Agreement may have been terminated, Painton shall pay the fees provided herein either through termination date or for a four (4) year period after achieving a production rate of 500 pes. per month on any given model other than the "Flatpot," whichever date is later.
to make any future payment of royalties since enforcement of such an agreement would be contrary to national patent law and policy as set forth in Lear. Both parties appealed to the United States Court of Appeals for the Second Circuit, which reversed and remanded, holding that the general considerations of public policy and the federal patent law were not a sufficient basis for declining to enforce the royalty provisions of trade secret agreements, at least with respect to those cases where no patent application had been filed. Painton & Co. v. Bourns, Inc., 442 F.2d 216 (2d Cir. 1971).

Article I, section 8 of the United States Constitution gives Congress the power to grant patent protection for the purpose of promoting "the Progress of Science and the useful Arts." Pursuant to this authorization, Congress has enacted the Patent Act, found in title 35 of the United States Code. Under the Patent Act, an inventor receives an exclusive monopoly on the subject matter of the patent for a period of seventeen years. In

10. Id. at 274. It should be noted that the parties did not argue these points either in their briefs or at oral argument. The litigants were solely concerned with the issue of contract interpretation. District Court Judge Motley made the rulings discussed in the text, and then decided the question of contract construction as an alternative ground. Her conclusion was that Painton could continue to use the drawings and manufacture the unpatented potentiometers free of any trade secret claim. 309 F. Supp. at 274. The circuit court concluded, after a rather lengthy opinion, that the grant of summary judgment on this issue was in error, and determined that it was ultimately a question of law for the court. Hence, the case was remanded.

442 F.2d at 235.

11. U.S. CONST. art. I, § 8, cl. 8 provides:
The Congress shall have Power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their Respective Writings and Discoveries.


13. 35 U.S.C. § 154 (1970), provides in pertinent part:
Every patent shall contain a short title of the invention and a grant to the patentee, his heirs or assigns, for the term of seventeen years, subject to the payment of issue fees as provided for in this title, of the right to exclude others from making, using or selling the invention throughout the United States . . .

One major problem with this system is that court determinations of the subsequent invalidity of patents, after the patent has already issued to the inventor, are notoriously high. On appeal, eighty per cent of all patent infringement actions result in a holding that the patent sued upon is invalid. It should be noted, however, that this figure does not represent the validity of all patents issued, but only those whose validity is challenged and adjudicated. Milgrim, Sears to Lear to Painton: Of Whales and Other Matters, 46 N.Y.U.L. REV. 17, 31 (1971). See Mahon, Trade Secrets and Patents Compared, 50 J. PAT. OFF. SOC'Y 536, 540 (1968), where the author states that decisions of the circuit courts in patent infringement suits for the period January 1956 to March 1967 show that probability of success in such a suit is only twenty-nine per cent. This places the inventor at a decided disadvantage with the rest of the competition in that it leaves him without any protection. At the same time, it makes his information a matter of public knowledge, because once a patent has been declared invalid, the invention, which has become public knowledge pursuant to the disclosure required by 35 U.S.C. §§ 111, 112 (1970), is open to public use. The same result obtains when the patent expires. See United States v. Dubiler Condenser Corp., 289 U.S. 178, 186-87 (1932), where it was stated:

In consideration of its disclosure and the consequent benefit to the community, the patent is granted. An exclusive enjoyment is guaranteed him for seventeen years, but upon the expiration of that period, the knowledge of the invention enures to the people, who are thus enabled without restriction to practice it and profit by its use.

If the inventor knew that his idea was unpatentable, then he could maintain its secrecy and elect to commercially utilize the fruits of his work through trade secret licensing. Article I, section 8 of the Constitution says that the inventor is not entitled to a monopoly unless he meets the requirements of the federal patent
return, the inventor must give full disclosure of his new idea and strictly comply with the exacting requirements of the Act. At the end of the seventeen year period, the subject matter of the patent becomes a part of the public domain to be duplicated by whosoever desires.

Presaging the idea of patent protection, the common law had developed the doctrine of trade secrets. This doctrine is presently reflected in section 757 of the 1939 Restatement of Torts:

laws. By the same token an inventor is not required to put his invention into public use. The Dubliet Court stated:

[A]n inventor deprives the public of nothing which it enjoyed before his discovery, but gives something of value to the community by adding to the sum of human knowledge. . . . He may keep his invention secret and reap its fruits indefinitely.

289 U.S. at 186. See also 4 A. Deller, Walker on Patents, § 206, at 3 (2d ed. 1965), quoted in Thomson Mach. Co. v. La Rose, 306 F. Supp. 681, 694-95 (E.D. La. 1969). It would therefore seem equitable that an inventor should have the means by which he can determine what he wants to do with his invention before it becomes a matter of public knowledge.

15. 35 U.S.C. § 112 (1970). This section provides:
The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

See E. I. du Pont de Nemours & Co. v. United States, 288 F.2d 904, 911 (Ct. Cl. 1961), where Chief Judge Jones, speaking for the court, stated:

Information contained in a patent is public, widely distributed, and generally known by those interested in a particular art. Inevitably the patented idea becomes common knowledge . . . .

16. For an extensive history of the development of the law of trade secrets in both England and the United States, see Orenbuch, Trade Secrets and the Patent Laws, 52 J. Pat. Off. Soc'y 638 (1970). The author traces the development of trade secret law in England starting with the cases of Newbery v. James, 2 Meriv. 446 (1817) and Williams v. Williams, 3 Meriv. 157 (1817), in which Lord Eldon refused to aid the courts in preserving unpatented trade secrets, since to do such would be inconsistent with the public's right to the free use of an invention which is not protected by a patent. The author cites Morison v. Moat, 9 Hare 241, 20 L.J. Ch. 513 (1851), as being the leading case recognizing a legally protectable interest in a trade secret. Morison and Moat were partners in a firm which prepared and dispensed medicines. Morison disclosed the recipe for the medicines to Moat with the understanding that the information be maintained as secret. The sons of both partners were in the employ of the firm. After the death of both partners, Moat's son founded his own business and started to sell medicines derived from the trade secret. The chancery court granted an injunction to restrain Moat's son from using the trade secret. On appeal, the court held that "[w]hen a party who has a secret in a trade employs persons under contract, expressed or implied, or under duty expressed or implied, those persons cannot gain knowledge of the secret and then set it up against the employer . . . ." Morison v. Moat, 21 L.J. Ch. 248, 249 (1852), quoted in Orenbuch, supra at 643-44. The author cites Peabody v. Norfolk, 98 Mass. 452 (1868), as being the case which established a precedent in the United States for the recognition by state courts of "property" rights in a protectable trade secret. Orenbuch, supra at 646. Peabody employed Norfolk under a contract by which Norfolk agreed to maintain as secret the information he acquired while working for Peabody. Norfolk was subsequently hired by a third party who had notice of this previous agreement. The court held that it would enforce the original agreement between Peabody and Norfolk, and grant an injunction to restrain the third party from obtaining trade secrets from Norfolk. 98 Mass. at 461. Out of this decision grew an extensive body of case law on the subject of trade secret protection, culminating in the Supreme Court decision of Lear v. Adkins. Orenbuch, supra at 644-46.
DECEMBER 1971] RECENT DEVELOPMENTS

One who discloses or uses another’s trade secret, without a privilege to do so, is liable to the other if

(a) he discovered the trade secret by improper means, or (b) his disclosure or use constitutes a breach of confidence reposed in him by the other in disclosing the secret to him, or (c) he learned the secret from a third person with notice of the facts that it was a secret and that the third person discovered it by improper means or that the third person’s disclosure of it was otherwise a breach of his duty to the other, or (d) he learned the secret with notice of the facts that it was a secret and that its disclosure was made to him by mistake.27

This section enunciates a rule limiting the right of the public to copy, when that which is copied is a trade secret.18 In the words of the American Law Institute, “[i]t is the employment of improper means to procure the trade secret, rather than the mere copying or use, which is the basis of the liability...”19

17. RESTATEMENT OF TORTS § 757 (1939). See also RESTATEMENT OF TORTS §§ 756 to 761 (1939). The American Law Institute has not as yet redrafted these and other cited sections of the 1939 Restatement. The Second Restatement, as adopted in final form by the Institute, only covers to section 503. RESTATEMENT (SECOND) OF TORTS §§ 1 to 503 (1965). Moreover, the trade secret sections of the 1939 Restatement have not been treated at all, even in tentative draft form. Tentative Draft No. 14, which would presumably touch upon these cited sections, stops with section 707A, and begins again with section 766. RESTATEMENT (SECOND) OF TORTS (Tent. Draft No. 14, 1969).


The other limitations are the patent laws and the law of unfair competition which prohibit copying in a manner which creates in the market avoidable confusion of the commercial source. RESTATEMENT OF TORTS § 757, comment a at 3. See also RESTATEMENT OF TORTS § 741 (1939), which states:

One who markets goods, the physical appearance of which is a copy or imitation of the physical appearance of the goods of which another is the initial distributor, markets them with an unprivileged imitation, under the rule stated in § 711, if his goods are of the same class as those of the other and are sold in a market in which the other's interest is protected, and (a) he copied or imitated the appearance after obtaining access to or procuring the goods, or their labels, wrappers, containers, styles or designs, by improper means or on his promise not to copy or imitate them, or (b) the copied or imitated feature has acquired generally in the market a special significance identifying the other's goods, and (i) the copy or imitation is likely to cause prospective purchasers to regard his goods as those of the other, and (ii) the copied or imitated feature is non-functional, or, if it is functional, he does not take reasonable steps to inform prospective purchasers that the goods which he markets are not those of the other.

However, it should be noted that this section of the Restatement, to a greater or lesser extent, has been modified by the Sears and Compco holdings. Sears, Roebuck & Co. v. Stiffel Co., 376 U.S. 225 (1964); Compco Corp. v. Day–Brite Lighting, Inc., 376 U.S. 234 (1964). It was a majority's position in these cases that a state could not invoke the trade secret doctrine in a way which would prohibit other people from copying the article, unless the particular article under inspection had met the requirements of the Patent Act. While the courts would permit a state to make laws requiring proper labeling or identification so as to avoid consumer confusion as to the item's manufacture, any law which prohibited the actual copying would be invalid as being in conflict with federal patent policy. See notes 31–34 and accompanying text infra.

The standards governing what may warrant protection as a trade secret are not so exacting as those for patents.\textsuperscript{20} For example, in order to obtain a patent, the invention must have the qualities of nonobviousness, novelty and utility.\textsuperscript{21} All that need be shown for the enforcement of a trade secret is: (1) the information or device is in fact a secret,\textsuperscript{22} that is, not a matter of public knowledge; (2) there is some degree of novelty,\textsuperscript{23} although it may fall considerably short of that required for a patent;\textsuperscript{24} and (3) there has been a wrongful appropriation of the trade secret, usually, but not necessarily resulting from a breach of an obligation not to disclose.\textsuperscript{25} Without such a misappropriation, there can be no redress.\textsuperscript{26} Unlike patent requirements, a trade secret may be a device or process whose novelty is clearly anticipated by the prior art in the field.\textsuperscript{27} Noveltv and nonobviousness, as used in the Patent Act, are not requisites for a trade secret.\textsuperscript{28}

\textsuperscript{20} R. MILGRIM, TRADE SECRETS § 8.02, at 5, 8-7 (1970).
\textsuperscript{25} Restatement of Torts § 757 (1939).
\textsuperscript{27} Restatement of Torts § 757, comment b at 6, 7 (1939).
\textsuperscript{28} Id. The law of trade secrets has, in the past, acted as an alternative to the federal patent laws, affording inventors an alternative means for protecting their creative ideas and works. This alternative was usually followed when the inventor thought his discovery would fail to meet the requirements of the Act. 84 HARV. L. REV. 477, 480 (1970). In this way the inventor could assure himself of a competitive "headstart" over other competition, necessary in order to recoup the expenses of his research and development since a patent was unobtainable. To deny the "headstart" to the inventor or his licensee may tend to frustrate or discourage experimentation in areas where the discoveries would not meet the requirements of the federal patent laws. Such an argument may be answered by saying that experimentation would not be frustrated since companies would still encourage experimentation if their business needs required it. The mere fact that potential inventions would not be protected from copying does not necessarily mean business would curtail or extinguish experimentation if this were the only method by which a company could meet its competitive requirements. For a discussion of the "headstart" theory and how it relates to cases dealing with trade secrets, see Comment, The Viability of Trade Secret Protection After Lear v. Adkins, 16 VILL. L. REV. 551, 563-66 (1971).
The types of protections afforded an owner against the disclosure of his trade secret may vary from jurisdiction to jurisdiction.\(^{29}\) In some states, protection is afforded by unfair competition laws.\(^{30}\) Until recently, inventors of less than patentable items have found such protection. Then, in 1964, the Supreme Court decided the companion cases of *Sears, Roebuck & Co. v. Stiffel Co.*\(^ {31}\) and *Compco Corp. v. Day-Brite Lighting, Inc.*\(^ {32}\) in which Mr. Justice Black, speaking for the majority, held that the use of a state unfair competition law\(^ {33}\) to give relief against the copying of an unpatented

\(^{29}\) For a listing of states which provide for both civil and criminal protection of trade secrets, and a discussion thereof, see *R. Milgrim*, supra note 20, §§ 1.09, 1.10 (1971). In reference to criminal proceedings as a basis for protection of trade secrets, see *Fettelman, Historical Perspectives on Criminal Laws Relating to the Theft of Trade Secrets, 25 Bus. Law. 1535* (1970); Fromson, *The Safeguarding of Trade Secrets, 14 Nassau Law. 17, 18–21* (June 1967). A discussion of the requirements needed for judicial protection of trade secrets may be found in *R. Milgrim*, supra note 20, §§ 8.02[8], 8.03. For a listing of states which recognize the possessor of a trade secret as having a property right in it, see *R. Milgrim*, supra note 20, § 1.01[2] n.15. For a listing of states which permit a possessor of a trade secret to protect against disclosure by operation of an express contract, see *R. Milgrim*, supra note 20, § 3.01 n.3. For a discussion of the protection of trade secrets by operation of law, see *R. Milgrim*, supra note 20, §§ 4.01, 4.02, 4.03. An example of a criminal statute concerning trade secrets is the New York Penal Law Section 1296, which states:

§ 1296. Grand larceny in second degree

A person is guilty of grand larceny in the second degree who, under circumstances not amounting to grand larceny in the first degree, in any manner specified in this article, steals or unlawfully obtains or appropriates:

4. Property of any value consisting of a sample, culture, micro-organism, specimen, record, recording, document, drawing or any other article, material, device or substance which constitutes, represents, evidences, reflects, or records a secret scientific or technical process, invention or formula or any phase or part thereof. A process, invention or formula is "secret" when it is not, and is not intended to be available to anyone other than the owner thereof or selected persons having access thereto for limited purposes with his consent, and when it accords or may accord the owner an advantage over competitors or other persons who do not have knowledge or the benefit thereof.

N.Y. Penal Law § 1296 (McKinney 1967), quoted in *R. Milgrim*, supra note 20, § 1.10[1][a].

30. The basis of the law of unfair competition is the prevention of dealings founded upon deceit and dishonesty, and the promotion of business integrity and fair competition. The doctrine has the threefold purpose of: (1) protecting the honest trader; (2) punishing the wrongdoer; and (3) protecting the public from deception. What constitutes unfair competition in a given case is governed by its own particular facts and circumstances. *J. Calmáafe, Trademarks and Unfair Competition §§ 6.01 to 6.07* (1970). *See also 1 Calmann, Unfair Competition and Trade-Marks 55–67* (2d ed. 1950).


32. Id. at 234.

33. Both cases dealt with the unfair competition law of Illinois which prohibited the copying of articles which were not protected by patents or copyrights. The law is based on the principle that one is not allowed to confuse the public as to the source of the article which is on the market for sale. Both suits, alleging patent infringement and unfair competition, were initiated in the United States District Court for the Northern District of Illinois. The district court held the patents invalid, but granted relief on the theory of unfair competition. The court of appeals affirmed both the invalidity of the patent and the finding of unfair competition, reasoning that the public would be misled as to the source of the Sears' product because of the similarity of the two. *Stiffel Co. v. Sears, Roebuck & Co.*, 313 F.2d 115 (7th Cir. 1963). The opinion of the district court was unreported. For a discussion of the *Stiffel* case and its effect on the law of trade secrets, see *Note, The Stiffel Doctrine and the Law of Trade Secrets, 62 NW. U.L. Rev. 956* (1968). *See also Kestenbaum, The Sears and Compco Cases: A Federal Right to Compete by Copying*.

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industrial design conflicts with the federal patent laws and policy. It was Mr. Justice Black's position that an inventor is only entitled to protection when the invention has met the exacting requirements of the Patent Act. Five years later, the Supreme Court decided Lear, Inc. v. Adkins. In Lear, Adkins had contracted with Lear for the manufacturing of gyros which Adkins had developed. It took almost six years for Adkins to obtain a patent, but before its issuance, Lear stopped payment of the royalties. The Court, in overturning a long line of precedent, held that the licensee was not estopped from attacking the validity of his licensor's patent. The Court left unanswered the issue of whether a contractual obligation to pay royalties on unpatented inventions is enforceable. However, in his dissenting opinion, Mr. Justice Black stated:

[N]o state has a right to authorize any kind of monopoly on what is claimed to be a new invention, except when a patent has been obtained from the Patent Office under the exacting standards of the patent laws.

Thus, it can be seen that Justice Black's position is "that trade secret protection is totally incompatible with federal patent policy." It was in light of this background that the case of Painton & Co. v. Bourns, Inc. was decided by the district court.

The district court based its decision, with respect to the issue of federal patent policy, upon two different legal theories. The first stems


36. Adkins, an engineer and inventor, was hired in 1952 to help solve problems in developing a gyroscope. They agreed that new inventions, ideas and discoveries would become the property of Adkins and that he would grant Lear a license to all ideas he might develop "on a mutually satisfactory royalty basis." 395 U.S. at 653.
38. The principle which the Lear Court overruled was known as "licensee estoppel." Under this doctrine, a licensee who had contracted to pay royalties was estopped from challenging the validity of his licensor's patent. The Lear Court then held that there was no duty to pay royalties for the period subsequent to the patent grant but preceding the declaration of invalidity. However, Lear did not decide whether the licensee was required to pay royalties for the know-how licensing for the time period before the grant of the patent. 395 U.S. at 674-75. For a discussion of the impact of the Lear decision upon the law of trade secret protection, see Comment, supra note 28. See also Trecce, Licensee Estoppel in Patent and Trademark Cases, 53 IOWA L. REV. 525 (1967); Comment, The "Decent Public Burial" of the Doctrine of Patent Licensee Estoppel, 11 B.C. IND. & COM. L. REV. 517 (1970); Comment, "Decent Burial" of Patent Licensee Estoppel, 1970 DUKE L.J. 375.
39. 395 U.S. at 673.
40. Id. at 677 (Black, J., dissenting). Chief Justice Warren and Mr. Justice Douglas joined in the dissent.
41. See Comment, supra note 28, at 557.
43. Id. at 273-74.
from the cases of Sears and Compco and Justice Black's dissent in Lear, while the second was concerned with the public policy consideration of encouraging patent applications. Justice Black argued that state recognition of agreements which required payments for trade secrets would run counter to the holdings of Sears and Compco. Those cases held that state laws prohibiting the manufacture of articles not protected by valid patents or copyrights, but offered for public sale, were inconsistent with federal patent policy. In Sears and Compco, the inconsistency was rooted in the fact that under federal patent policy the public is allowed to copy any article which fails to qualify for a patent, for which the patent has expired, or for which the patent has been judicially declared invalid. By invoking state law of unfair competition to prohibit copying, the state courts limited a right conferred on the public by the federal patent laws. Whenever such a conflict arises, the supremacy clause of the Constitution requires that the federal laws pre-empt those of the states.

The circuit court distinguished these two cases from Painton, reasoning that the Illinois law, by prohibiting the copying of the unpatented articles, actually conferred monopolies on articles which could otherwise be copied by any member of the public. The Illinois law prohibited anyone from copying an article if consumer confusion as to its source of origin would ensue. Therefore, the maker of the article actually gained a monopoly on the article which he would not have been able to otherwise receive. As Mr. Justice Black suggested in Sears, the Illinois law, if left standing, would have granted protection similar to patents and copyrights, but free from the safeguards and limits of time. However, the circuit court distinguished the above rationale from the present case:

An agreement licensing a trade secret is an altogether different matter. It binds no one except the licensee, while all others are free to attempt by fair means to figure out what the secret is and, if they succeed, to practice it.

In this way, the circuit court concluded that there is quite a difference in saying on the one hand, as did Mr. Justice Black, that a state cannot enjoin the copying of an unpatented article, and saying, on the other, that individuals cannot enter into contractual agreements which in no way preclude a third party from independently discovering and developing the article.

45. 442 F.2d at 223. See notes 33 & 34 and accompanying text supra.
46. See Ttreee, supra note 33, at 81.
47. U.S. Const. art. VI, § 2.
48. 442 F.2d at 223.
49. See note 30 supra.
50. Actually, the so-called "monopoly" conferred by the unfair competition laws is less extensive than a patent monopoly. Under the former, copying would be allowed to continue so long as it is properly labeled and does not confuse the public as to its source. See Doerier, The Limits on Trade Secret Law Imposed by Federal Patent and Antitrust Supremacy, 80 Harv. L. Rev. 1435, 1447-48 (1967).
51. 376 U.S. at 231-32.
52. 442 F.2d at 223.
53. Id. at 223. See Milgrim, supra note 13, at 25 n.34.
At least one writer has argued that upon close analysis it can be seen that judicial enforcement of private trade secret agreements actually has an anti-monopolistic effect. One of the reasons for the district court's decision in *Painton* is reflected by Justice Black's dissent in *Lear*, in which he stated:

> The national policy expressed in the patent laws, favoring free competition and narrowly limiting monopoly, cannot be frustrated by private agreements among individuals, with or without the approval of the State.

It follows from such reasoning that there could be no judicial enforcement of trade secret agreements, at least with respect to those where no patent application had been filed. What this rationale overlooks is the fact that there are many discoveries which, because of the exacting standards of the patent laws, are not patentable, because they either lack novelty or utility or were anticipated by the prior art in the field. It is in this situation that know-how licensing plays an important role. Had the decision of the district court in *Painton* been upheld, inventors would be forced to seek patent protection, since this would be the only way by which the inventor could be assured of compensation for his time and effort. However, it is submitted that the result of upholding this rationale would be to destroy the experimental incentive of inventors with less than patentable discoveries, since all means by which they receive compensation for their efforts would be eliminated. If an inventor did not have the facilities for utilizing or manufacturing his own trade secret, then there would be no reason for such person to experiment since there would be no way for him to receive payment for the disclosure of his secret. If, on the other hand, an inventor did have such facilities, presumably he would attempt to keep an exclusive monopoly for himself and not disclose his discovery to anyone else; non-disclosure would be the only way by which he could be adequately remunerated for his time and effort. This would have the practical effect of either discouraging inventors from further research and development, in the case of non-manufacturing inventors, or keeping their know-how to themselves, in the case of those who do have manufacturing facilities. Clearly, both of these alternatives run counter to the policy considerations behind article I, section 8 of the Constitution, which encourages invention and public disclosure thereof in an effort to maximize the advance of the sciences.

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54. See 84 Harv. L. Rev. 477, 484 (1970), where the author posits: [W]hen the inventor is able to license there is an antimonopolistic effect in that there are incentives to spread know-how rather than to hoard it.
55. 395 U.S. at 677.
57. See Doerfer, supra note 50, at 1440-47. The patent system promotes the progress of science by providing economic incentives and encouraging the disclosure of new inventions. This system proceeds on the premise that circulation of new data and information stimulates more ideas.
The second legal theory upon which the district court based its decision was that the protection of trade secrets in advance of the filing of patent applications is against public policy since it discourages such applications. This reasoning was based upon the impact of Lear which held that a licensor cannot demand the payment of royalties from a licensee who contests the validity of the patent until such time as the patent is adjudged valid. Since Lear did away with the doctrine of licensee estoppel, inventors will turn toward the use of trade secrets if they are held to be enforceable, rather than apply for a patent and face the risk of having their licensee challenge its validity. The district court thought that this use of trade secrets would effectively deprive the public of learning of the invention. Thus, the main objections to this practice focus upon the element of non-disclosure and the possibility of the inventor possessing a perpetual disclosure monopoly. Furthermore, the absence of a means for compulsory disclosure could result in an inventor dying with his secret, thereby forever depriving the public of the knowledge and usefulness of his invention.

The circuit court dismissed this argument, perhaps too summarily, by distinguishing between three categories of potential trade secret licensors: (1) the owner of a trade secret which is believed to be a validly patentable invention; (2) the owner of a trade secret which is not patentable; and (3) the owner of a trade secret whose patentability is considered dubious.

With respect to the first category, the Second Circuit stated that there would be no substantial withholding of patent applications. This reasoning is based on the premise that a licensee would not pay so much for a trade secret license as he would for a patent license, and therefore, most inventors will continue to seek patent protection. Although this may be true in some instances, for example where the reverse engineering of an article would be relatively easy, it is questionable whether this

58. 309 F. Supp. at 274.
59. 395 U.S. at 674.
60. See note 38 supra.
62. 309 F. Supp. at 274.
63. 48 Texas L. Rev. 1399, 1401–02 (1970).
64. See Comment, supra note 28, at 556. According to the author, there are only three ways in which a trade secret may be disclosed absent independent discovery by a third party: (1) by the issuance of a patent, in which case the trade secret becomes public knowledge at the time the patent issues; (2) upon marketing, if the trade secret is susceptible of reverse engineering (see note 68 infra); and (3) by misappropriation, in which case the owner of the trade secret has a remedy against the person who has misappropriated it. But see 48 Texas L. Rev. 1399, 1402 (1970), in which the author suggests that trade secrets are likely to become obsolete within a few years because of independent discovery. See also Klein, The Technical Trade Secret Quadrangle: A Survey, 55 NW. U.L. Rev. 437, 455 (1960).
65. 442 F.2d at 224.
66. Id. at 224.
67. Id.
68. Reverse engineering is the technique of learning how to copy another's product by starting out with the finished product and working backward until each step of the manufacturing process is discovered. 48 Texas L. Rev. 1399, 1401 n.13 (1970).
would be true in a majority of cases. Illustrative of the validity of this conclusion is the invention of a new process or method of making an article which would not be susceptible to discovery upon an examination of the final product. Such a process may not be discoverable unless the inventor wishes to disclose it, and could possibly remain his secret forever, thereby giving him, for all practical purposes, a monopoly in perpetuity. A patent, on the other hand, would only give him a monopoly for seventeen years. If the trade secret is of this nature, then a potential licensee may pay the same for a license as he would if the process were patented, so long as he believes that the potential longevity of the trade secret will be sufficient for his purposes. In other words, the price any licensee will pay for a trade secret license is a function of the nature of the invention and the estimated time period for which the secrecy can be maintained before independent discovery.

The circuit court points out several other reasons why it would be to an inventor's detriment to refrain from obtaining a patent where one could validly be obtained. One of these reasons is that the secret may leak, or be leaked in a way that could not be proved to be a breach of the agreement. If this happened, the inventor would be missing one of the necessary requirements needed for invoking trade secret protection, namely, a showing that there has been a wrongful appropriation of the trade secret, usually resulting from breach of a fiduciary relationship. In this situation, the inventor would be left with no means for protecting his trade secret. Another reason for choosing patent protection over trade secret protection is that an inventor may forfeit his right to obtain a patent if he does not apply for it within a year after the invention was first publicly used or sold. The inventor may also lose protection if a subsequent inventor is able to show that the former suppressed or concealed the discovery.

The second category which the circuit court discussed is that in which the owner knows the trade secret is unpatentable. There is a great deal of know-how which lacks the sufficient utility, novelty or nonobviousness to be patentable. To deny enforcement to trade secret agreements in such instances can only result in one of two equally undesirable alternatives. The first would be the flooding of an already overburdened patent office with frivolous applications for which no patents could be granted.

69. See note 28 supra.
70. 442 F.2d at 224.
71. See notes 25 & 26 and accompanying text supra.
74. 442 F.2d at 224.
75. Id. at 224. The court does not say why it believes a person who knows his invention is not patentable would still attempt to have a patent granted. It would appear that if a person knew his invention would not meet the requirements of the Patent Act, then he would not go to the trouble and expense of applying for one. Perhaps if a patent were the only means of protection available, then the inventor would apply for it since he has nothing substantial to lose and since the information will not become public until the patent is issued. 35 U.S.C. § 122 (1970).
since there would be no alternative method by which an inventor could hope to receive compensation for his efforts. The inventor would stand to lose nothing if the patent were refused, since there is no disclosure until the patent issues.76 The second alternative would be a decline in research and experimentation in those areas of know-how which, if a process were developed, would not amount to a patentable idea, since the inventors of such know-how would not receive compensation for their expended money and efforts. This diminution of innovative effort would be contrary to the public interest in that it would inhibit the advance of technology.77 If, however, trade secret agreements are upheld, these inventors would be afforded an alternative means of protection, thereby encouraging the creative incentive of those with less than patentable ideas.

The third category discussed by the Second Circuit is that in which the owner of a trade secret is doubtful or unsure of whether his idea is patentable. In such instances, the circuit court admits that a rule denying the enforcement of trade secrets would have the effect of stimulating patent applications where they might not otherwise be forthcoming, since the owner would attempt to receive the only means of protection which would be available to him.78 However, the court questions the beneficial effect of such a measure:

If the patent does not issue, there will have been an unnecessary postponement in the divulging of the trade secret to persons willing to pay for it. If it does, it may well be invalid, yet many will prefer to pay a modest royalty than to contest it . . . .79

The advantages in upholding trade secret agreements in this category would be the same as those discussed for owners who know that their ideas are not patentable. Thus, with another means of protection available to the inventor, he would be more inclined to pursue the experimentation which ultimately leads to the advance of technology, thereby benefiting the public interest.

The court concludes its considerations by stating:

We therefore do not find, either in general considerations of public policy or in emanations from the federal patent law, a sufficient basis for declining to enforce even the royalty provisions of trade secret agreements at least with respect to cases where no patent application has been filed.80

Thus, it seems clear that trade secret agreements remain a viable means of protection for inventors who choose this alternative over that of the patent

77. See p. 384 supra.
78. 442 F.2d at 225.
79. Id.
80. Id.
system. The circuit court distinguishes the opinions of Mr. Justice Black in Sears and Compco, and flatly rejects his dissent in Lear:

Whatever the impact of Lear may be with respect to agreements governing inventions for which patent applications have been filed, we find no suggestion in the opinion that the Court intended to cast doubt on the longstanding principle that an inventor who chooses to exploit his invention by private arrangements is entirely free to do so, though in so doing he may thereby forfeit his right to a patent.81

This language of the court clearly demonstrates a willingness to enforce trade secret agreements which will undoubtedly continue until this issue is more fully considered by the Supreme Court.82

It is submitted that the advantages of enforcing trade secret agree-
ments far outweigh any disadvantages. As was already pointed out, it most definitely encourages research and development in areas where a patent would not be obtainable.83 Its necessity can also be seen in other areas, such as the employer-employee relationship.84 Without the enforcement of trade secrets in this area, the temptation for people to resort to inequitable and unscrupulous business practices may prove too great to resist. Employees could work for employers, learn the secrets, then use them to their own advantage.85

One of the main objections to trade secret agreements seems to lie in the possibility of allowing the owner a perpetual monopoly, thereby conflicting with the federal patent laws. However, a closer study shows that the exclusionary rights which are conferred upon an owner by trade secret laws are not coextensive with those conferred by the patent laws.86 Since third parties are allowed to attempt independent discovery by fair means, and use it if successful, the trade secret laws are aimed at pro-

81. Id. at 225. The reason the court talks about forfeiting the right to a patent is that under the patent laws an owner or inventor of an invention loses his right to apply for and obtain a patent if he markets his invention more than one year prior to making application. 35 U.S.C. § 102(b) (1970).

82. It is of interest to note that aside from Painton and the case of Epstein v. Dennison Mfg. Co., 314 F. Supp. 116 (S.D.N.Y. 1969), there have been no recent trade secret cases which have considered the Lear decision. In Epstein, Judge Motley did not find it necessary to decide if Lear modified the law of trade secrets, and, in fact, recognized that a right of recovery could conceivably exist. 314 F. Supp. at 125.

83. See p. 384 supra.

84. For a discussion of trade secret agreements and how they relate to the employer-employee relationship, see Doerfer, supra note 50, at 1435-36. See also Comment, supra note 28, at 561-63. It should be noted that most trade secret cases arise out of a breach of confidence by an employee under an express or implied contract not to disclose or compete. See Blake, Employee Agreements Not To Compete, 73 Harv. L. Rev. 625 (1960); Leydig, Protecting Trade Secrets When Employees Move, 21 Bus. Law. 325, 329 (1966). Covenants prohibiting disclosure of secret information in such situations have been upheld without question. See Hunter v. Shell Oil Co., 192 F.2d 485 (5th Cir. 1960); Kelite Corp. v. Khem Chem., Inc., 162 F. Supp. 332 (N.D. Ill. 1958). To decline to enforce trade secret agreements in this area could only lead to chaos and confusion.


86. See Doerfer, supra note 50, at 1447-48.
tecting the contractual relationship of the parties, more so than protecting the monopoly of the owner. Perhaps this objection could be resolved by limiting the number of years during which a trade secret will be granted protection. Perhaps the answer lies in a reorganization of the rigid patent laws which presently exist. Whatever alternative is adopted, it should be remembered that by declining to enforce trade secret agreements, courts go against one of the fundamental rights of contract law, namely, the freedom of parties to contract. The trade secret law exists separate from federal patent policy and covers matters which are frequently unpatentable. It grants protection only against wrongful use or disclosure, while at the same time it encourages multiple independent invention. Any possible conflicts with patent law should be resolved in such a way as to retain the viability of trade secret law.

William F. Holsten