Flash of Genius is based on the true story of Bob Kearns, inventor and professor, who came up with a design for the intermittent wiper used today. At the beginning of the movie he is teaching a course in applied electrical engineering and on the first day of class he wrote the word “ethics” on the blackboard. He stated that engineers designed both the artificial aorta heart valve and the gas chambers of Auschwitz. One saved thousands of lives while the other took millions. The point being that engineering can be used for good and evil and it is up to the individual to apply it for the benefit of society.

Kearns initially showed his invention to a good friend and part owner of Pervick Automotive, Gil Pervick. Pervick Automotive put up the seed money to file for Kearns’s invention and agreed to help finance the manufacturing of it. Pervick Automotive held claim to the patent that was awarded in Dec. 1964. Pervick did business with several of the auto manufacturers and set up a demonstration with Kearns to the Ford Motor Company’s chief engineers which led to a subsequent meeting with a Ford executive, Macklin Tyler. They were very impressed and requested a sample unit to submit, they claimed, to the US Government as required for safety reasons. After Kearns and Pervick provided the unit to Ford, Pervick later informed Kearns that Ford no longer showed interest in pursuing his invention. However, intermittent wipers began showing up in cars produced by Ford. Pervick tried to slow Kearns down from seeking justice against Ford and suggested that he scale back on his strong rhetoric. Pervick was concerned about preserving Pervick Auto’s relationship with the auto makers and the $17 million worth of business they do with them.

Kearns finally retained a law firm to go after Ford. In order to save Pervick Automotive from future litigation and to exclude them from having to testify against their customers, Pervick suggested that Kearns sue him as well which allowed his company to settle and assigned claims
to the patents over to Kearns. The law firm received a settlement offer of $250,000 from Ford. But without admission of stealing his invention, Kearns refused the offer. The law firm later ceased to pursue the suit and dumped Kearns’s case. Kearns went on to take Ford to patent court. Long before trial, Kearns received a $1 million settlement offer directly from Ford, but without their admission of stealing his invention he refused. Before the end of the court proceedings, Ford approached Kearns at his home with a settlement offer of $30 million, but Kearns and his children refused after going this far. At the trial Ford’s lawyers claimed that Kearns used simple electrical components that had been around for years but just rearranged them and really did not invent anything new. Kearns used the book “A Tale of Two Cities” to argue that Dickens did not invent any new words when he wrote that masterpiece yet he did create something new and unique. Kearns won the case against Ford in 1990 and was awarded $10.1 million. He later won a suit against Chrysler in 1992 for $18.7 million. During this long ordeal his marriage was ruined, had a stint at a mental hospital for a nervous breakdown, and was fairly non existent during his children’s upbringing. In the movie the kids later came to his side and help Kearns put together his case against Ford. His ex-wife was also present during the final court proceedings.

I thought the business world and Ford was portrayed in a neutral to slightly negative light. The movie took place in Detroit throughout the 1960’s and 70’s during the city’s heyday. Ford Motor Company was a big player in that city and one of the largest corporations in the world. Ford employed thousands of workers directly, kept many local suppliers in business, and contributed greatly to the prosperity of the community. Having said that, Ford certainly
leveraged its power and influence to do what was in the best interest of Ford, as one might expect from a large corporation.

Ford was to some extent envied and respected by every one of the characters in the movie. Ford executives were seen going to church, Ford put on extravagant shows, and the enormity of Ford’s facilities were often shown in the background. In all of the interactions between characters, there was always a sense of respect and decency in how they spoke to one another. Even though some of the conversations got heated, no profanities or derogatory comments were made toward other characters, even when they were not present. A few exceptions were when the lawyer representing Kearns questioned Kearns’s lack of common sense and pride to take credit for the invention for not wanting to take the $250,000, and when a Ford negotiator called Kearns an “asshole” behind a closed door after failing to get him to agree to the $1 million offer. But there did not seem to be any extreme animosity toward one another.

Even though some unethical decisions and behaviors took place, none of the characters in the movie including Macklin Tyler, the Ford engineers, the attorneys defending Ford in the patent trial, or the Ford negotiator were portrayed as evil. For the most part they acted cordially toward Kearns, did not try to impugn his integrity, and were never heavy handed. But they definitely acted in the best interest of Ford and themselves.

The first ethical dilemma occurred during the first meeting with Bob Kearns and Macklin Tyler. Before their meeting Tyler and the engineers discussed Kearns’s plans to manufacture the wiper units himself and that Ford would probably not let that happen. Then when they first met, Tyler said to Kearns as they shook hands that he had “won the wiper wars” and asked what he planned to do. After Kearns stated that he wanted to manufacture the wipers, Tyler asked how
much per unit. Tyler went on to say that Ford likes staying very close to their suppliers and that any new automobile feature had to be approved by the Feds to meet safety standards (Pervick confirmed that during the meeting which provided legitimacy to the claim for Kearns). After giving a unit to Ford, Pervick met with Kearns at a restaurant and told him that Ford wanted out. The ethical dilemma here is that Tyler had totally misled Kearns regarding his intentions during the negotiations and now was trying to squeeze him out, ultimately stealing his invention.

The law firm suggested taking that initial settlement offer because “that’s how justice is carried out in America”, but Kearns refused largely due to principle. Kearns felt that if Ford could steal his invention, then it would be easier for other inventors to have their inventions stolen. He was not fighting Ford just for himself but for all other inventors as well. The issue was eventually resolved in court by Kearns, but at a very high cost to his personal life. During the trial, Kearns asked Tyler on the stand if he had said that he had “won the wiper wars”, to which Tyler said he could not remember. He also brought up the fact that Tyler asked him about the cost per unit implying that Tyler understood that Kearns had something and was planning to supply the units to Ford. Kearns also made a great analogy with Dickens’s book which was a major reason for his victory.

The issue should have been resolved at the first meeting. If Ford would have acted with more integrity, they could have worked with Kearns up front to negotiate a fair deal for both parties, and Ford may have been able to lock out their competitors in the process. This would have saved Ford a lot of time and money down the road. A second chance that Ford could have resolved the issue is that in addition to offering a settlement, they could have agreed to write an article in the Detroit Free Press as Kearns demanded. Kearns wanted Ford to admit to stealing his invention but maybe instead of admitting to stealing, they could have acknowledged Kearns
as the inventor and give him all kinds of praise. Unfortunately, I think Ford thought this would create a bad precedent and cause Ford to lose their leverage against other independent inventors.

A second ethical dilemma developed as Pervick became a middle man between Kearns and Ford. Pervick fully supported Kearns and acted in his friend’s best interest up to the point of their first meeting with Tyler, and then Pervick let Tyler start calling the shots. Pervick went on to slow Kearns down in his attempt to go after Ford because Pervick had such a vested interest in preserving his business relationship with the auto makers. It would not have been good for business if Pervick Automotive started suing their customers for patent infringement. Pervick was dragging his feet and was not responsive to Kearns’s calls during this time.

When Kearns finally retained a law firm and was serious about suing Ford, Pervick asked that he sue his company, Pervick Automotive, as well. This gave Pervick a chance to respond in a letter that they had acted in accordance to the law in all of their activities. They offered to transfer claim of the patents they held over to Kearns in exchange to not be involved in future litigation and, more importantly, to not have to testify against their customers. I thought this was a great way for Pervick to remove himself and his company from what was becoming a messy situation, and isolated his business relationships with the automakers and his friendship with Kearns.

A third ethical dilemma occurred when Kearns needed proof that Ford had stolen his invention. To get it, he needed a wiper assembly from one of Ford’s cars. Kearns followed a car on a rainy day back to the owner’s home. Later that evening, Kearns opened the hood of the car and stole the assembly. The owner caught Kearns in the act, but he was unable to identify Kearns and he got away with the unit.
Stealing the wiper assembly was obviously unethical, but I noticed watching the movie it was very easy to excuse Kearns for what he was going. One could argue that this unethical act was justified in order for Kearns to seek justice against Ford’s greater wrongful doing. The nature of the two thefts was different, but fundamentally they are the same, and something was stolen that belonged to someone else. This issue was never resolved. The scene established how Kearns proved theft of his invention and the morality of it was very much left to the perception of the viewer. It did not come up again in the movie.

It’s hard to say what the ramifications would have been if Kearns got caught. Would this have discredited him in pursuing his larger case against Ford? There could have been other ways of obtaining the assembly if Kearns was creative. Maybe he could have bought the assembly from a dealership, or had a friend help him by allowing Kearns to inspect his car with the assembly. Maybe even Pervick could have helped him out someway that would be transparent to Ford.

I learned a couple things from this exercise. First, I always pick up on missed details when I watch a movie the second time. I also learned how my perceptions of the characters and organizations are influenced by the way the movie portrays them.

An important lesson is how critical it is to have good negotiating skills. Kearns should not have given up his design to Ford unless he had a written contract detailing out the blueprint of the partnership. If Ford had no intention of letting Kearns manufacture the assembly, that fact would have come out and other provisions like a royalty arrangement could have been agreed upon. Once Kearns let the cat out of the bag and without a formal agreement there was no
turning back. Also related to this point; one should be careful not to let a friend’s involvement or other emotional attachments negatively influence doing what is prudent.