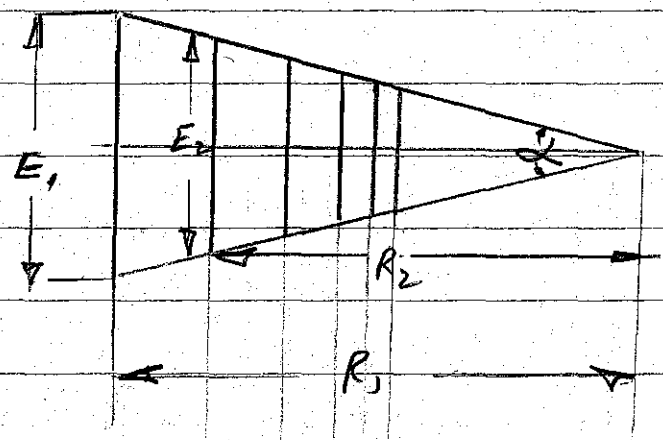
FROM: AS
TO: ICE BLONDER

VHF OUTDOOR LOG-PERIODIC DIPOLE DESIGN

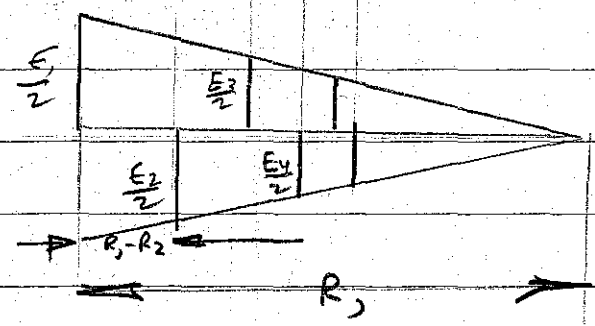
α = apex angle
τ = period function

assuming $\alpha = 60°$
$\tau = 0.6$



1). calculate E_1

ACTUAL STRUCTURE



$E_1 = \frac{\lambda_L}{2}$

λ_L = lower frequency cutoff.

taking $f_L = 50$ MC

$\lambda = \frac{V}{f}$ (V: speed of light, f: frequency)

$E_1 = \frac{V}{2f} = \frac{3 \times 10^8 \text{ mts/sec}}{(2)(50) \frac{\text{cycle}}{\text{sec}} \times 10^6} = 3 \text{ mts}$

$E_1 = \frac{3 \text{ mts}}{0.3048 \frac{\text{mts}}{\text{ft}}} = \boxed{9.85 \text{ ft}}$

2) $\underline{R_1} = \frac{E_1}{2} \cot n \frac{\alpha}{2}$

assuming $\alpha = 60^\circ$ (45° for the UHF model)

$$R_1 = \left(\frac{9.85\,ft}{2}\right)\underset{[\cot 30^\circ]}{(1.7321)} = \boxed{8.54\ ft}$$

3) $\underline{R_3} = \tau R_1$

$$R_3 = (0.6)(8.54) = \boxed{5.125\ ft}$$

4) $\underline{R_2} = R_1\sqrt{\tau} = (.775)(8.54) = \boxed{6.62\ ft}$

5) $R_4 = (0.6)(R_2)$

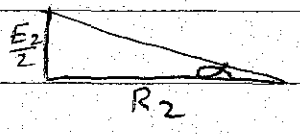
6) $R_5 = (0.6)(R_3)$

6) $R_6 = (0.6)(R_4)$

7) $R_7 = (0.6)(R_5)$

8) $R_8 = (0.6)(R_6)$ etc

9) $\frac{E_2}{2} = R_2 \operatorname{Tan} \frac{\alpha}{2}$
$= (6.62\,ft)(.5774)$



10) $\frac{E_3}{2} = R_3 \operatorname{Tan} \frac{\alpha}{2}$

11) $\frac{E_4}{2} = R_4 \operatorname{Tan} \frac{\alpha}{2}$

etc. See Tabulation

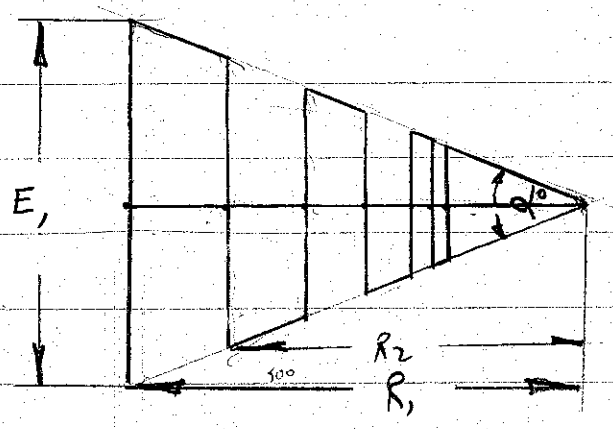
	element size		distance between element	
50 mc	$\frac{E_1}{2}$ →	59.1"	$R_1 - R_2$ →	23.3"
65 mc	$\frac{E_2}{2}$ →	45.48"	$R_2 - R_3$ →	17.95"
78 mc	$\frac{E_3}{2}$ →	35.16"	$R_3 - R_4$ →	13.85"
105	$\frac{E_4}{2}$ →	27.36"	$R_4 - R_5$ →	10.7"
138	$\frac{E_5}{2}$ →	21.25"	$R_5 - R_6$ →	8.4"
170	$\frac{E_6}{2}$ →	16.3"	$R_6 - R_7$ →	6.42"
230	$\frac{E_7}{2}$ →	12.6"		

UHF portion is added on.

Sure
1000 pc

DESIGN OF LOG PERIODIC ANTENNA

BY: AS
1/14/63

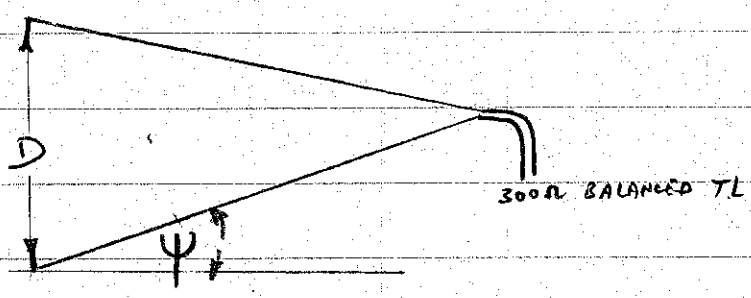


TOP VIEW.

α = apex angle

ψ = vertical angle.

τ = period fraction.



SIDE VIEW.

1). Calculate E_1,

$E_1 = \frac{\lambda}{2}$ where λ is wavelength of lower frequency to be received. $\left(\lambda = \frac{V}{f} = \frac{\text{speed of light}}{\text{frequency}}\right)$.

2). calculate R_1

$R_1 = \frac{E_1}{2} \cot \frac{\alpha}{2}$

assume angle α. (range of $\alpha \approx 40° - 80°$ a good assumption $\approx 60°$)

3) Calculate R_3.

$R_3 = \tau R_1$ τ: periodic function

assume $\tau \approx 0.6$

the higher the period function the more elements you will have.

4). Calculate R_2

$R_2 = R_1 \sqrt{\tau}$

5). Calculate $R_4, R_5, R_6 \ldots\ldots$

$R_4 = \tau R_2$

$R_5 = \tau R_3$

$R_6 = \tau R_4$

6). Calculate distance D,

$D = 2 R_1 \sin \frac{\Psi}{2}$ $\left(\Psi \approx 30^\circ - 50^\circ \atop 40^\circ \text{ ideal.}\right)$.

LAW OFFICES
Silverman & Cass
PATENTS · TRADEMARKS · COPYRIGHTS
105 W. ADAMS STREET · CHICAGO, ILLINOIS, U.S.A. 60603
TELEPHONE 726-6006
AREA CODE 312
CABLE: SILCAS

I. IRVING SILVERMAN
MYRON C. CASS
SIDNEY N. FOX
JAMES L. KNIGHT
GERALD R. HIBNICK, IND. BAR

November 21, 1966

Our Ref. 6-418

Richard S. Phillips, Esq.
Hofgren, Wegner, Allen, Stellman & McCord
20 N. Wacker Drive - S. 2200
Chicago, Illinois

Re: U. of I. Foundation v. Blonder-Tongue v. JFD -
Civil Action No. 66 C 567.

Dear Dick:

To expedite discovery in compliance with the local rules, there is itemized below a list of items which were culled from Mr. Blonder's deposition as desired to be produced by you. The listing below also identifies the page of the transcript of Mr. Blonder's deposition on which reference is made to the item.

Page No.	Item
154	Purchase Order for an antenna of the "new LPV series" referred to in J-2.
201	Information in respect of the prosecution of corresponding patent applications in any foreign countries (i.e., corresponding to patent in suit).
234	Reports on tests conducted on purchased LPV TV series antenna.
236	Results of tests and measurements conducted on "new antenna series of October 3, 1966". BT 33 (J-2) LPV-VU.
273	Schenfeld's residence address.

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NOV 28 1966
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NO. TEN POST OFFICE SQUARE, BOSTON

Page No.	Item
278	Search results "in Washington", listing of prior art located in this search.
293	Specific information and documents or tie-in sales and things of this sort.
293-4	Blueprints, specifications, notebooks, memoranda and technical reports, i.e., COLOR RANGER series with bracket portions omitted of blueprints.
299	Copies of all letters of indemnification that BT provided.
301	All documents relating to the adoption of the RANGER name on all of the antenna products of BT.
304	Date of publication of the instruction sheets for COLOR RANGER series antennas.
304	Invoices pertaining to the first commercial sale of the GOLDEN ARROW, GOLDEN DART and COLOR RANGER antennas.
304	Invoices and documents with respect to the mold produced for making the insulation parts of the GOLDEN DART and GOLDEN ARROW antennas.
313-314	Identification of antenna manufacturers other than JFD which make antennas believed to infringe the Blonder patent in suit, exhibit J-1, and identification of the specific antennas believed to infringe.
315	Identification of the model of the Finney UHF section that did not infringe the Blonder patent because it is a double boom made to have a substantially co-planar arrangement by putting "S" shaped devices in the dipoles.

Page No.	Item
316	Any requests for licenses under J-1.
365	Salesmen, distributors, service people and everyone else involved in allegations of anti-trust - events, names, and specific evidence particularly relating to "drop your line or else be sued by JFD" communicated to BT by parts distributors.
376	Address of Jerry Cohn.
377	Last known address of John Lineman.
382-3	Data concerning customers who were threatened with suit if JFD's entire line was not handled exclusively.
404-5	"Identify, in any JFD advertising or any releases or advertising of the Foundation wherein the Foundation or JFD have publicized the features of the manner in which the transmission line is connected to the feed end of the antenna, that is, the end adjacent the rigid insulating means you referred to, and also the strain relief that we are referring to."
405	"Also in connection with the manner in which the antenna is mounted to the mast."
405-6	Identification of specific advertisements of JFD which show false marking. Also, cartons of JFD which have patent numbers that do not apply to actual antennas shipped in them.
406-7	Does false marking charges apply to LPV VU or LPV TV series?
408	Reports on field tests of BT GOLDEN DART and GOLDEN ARROW antennas.
411	Listing of patent infringement suits brought by BT.
425-6	Information as to loss of sales and customers lost (names, addresses, dates and descriptive details with respect to each instance which will be relied upon)

Page No.	Item
425-6	as specifically referred to in connection with paragraph 7(i) of the Counterclaim and the anti-trust count. Also, a complete description of damages sustained in each instance and explanation of how goodwill was damaged or lost in connection with each instance and identification of the potential customers referred to.

31

I appreciate that you have supplied me with a list of items that you were going to produce pursuant to Mr. Blonder's deposition and that there will be items common to both lists. May I go on record as stating that one production of the requested item common to both lists will be acceptable to me?

I look forward to your early compliance with the foregoing request.

Sincerely yours,

SILVERMAN & CASS

Myron C. Cass

MCC/gm

cc: Robert H. Rines, Esq.
Basil P. Mann, Esq.

P.S. The list which you supplied with your letter of October 31, 1966 refers to items Nos. 1 through 8 and 11 which have not been repeated on the above list. I presume that you will supply these items also.

LOUIS D. FLETCHER
OF COUNSEL
DONALD J. OVEROCKER
HARVEY W. MORTIMER
MORRIS RELSON
ROBERT R. KEEGAN
GORDON D. COPLEIN
WILLIAM F. DUDINE, JR.

EGON E. BERG
MICHAEL J. SWEEDLER
HARVEY M. BROWNROUT

DARBY & DARBY
ATTORNEYS AT LAW
PATENTS AND TRADEMARKS
CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, N. Y. 10017

SAMUEL E. DARBY (1867-1936)
WALTER A. DARBY (1869-1949)
SAMUEL E. DARBY, JR. (1891-1947)
FLOYD H. CREWS (1899-1964)

CABLE: YBRAD, NEW YORK

TELEPHONE (212) OXFORD 7-7660

December 5, 1966

Robert H. Rines, Esq.
Rines & Rines
10 Post Office Square
Boston, Massachusetts 02109

Re: University of Illinois Foundation

Dear Bob:

* I am enclosing copies of some correspondence that may be of interest to you in the above matter.

Cordially yours,

Morris

mv

Morris Relson

RECEIVED
DEC - 6 1966
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NO. TEN POST OFFICE SQUARE, BOSTON

SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

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JUL - 6 1966
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As an individual or corporate owner of a U.S. patent, you may be interested in selling or licensing it to others. THE PRODUCTS LIST CIRCULAR, prepared by this Agency, offers you the opportunity to describe your patent to potential users.

Each month, this widely circulated publication lists -- without charge -- patents selected for their potential value to firms looking for new or improved products and processes.

If you are interested in submitting your patent for consideration, write the nearest SBA office (listed on the reverse side), and ask for SBA Form 312.

Sample copies of the "Products List Circular," as well as information on other services, are available at all offices of the Small Business Administration.

Sincerely,

Irving Maness
Deputy Administrator

MAIL ROOM
AUG 8 1966
U.S. PATENT OFFICE

20.00 332

RINES AND RINES
ATTORNEYS AT LAW
NO. TEN POST OFFICE SQUARE
BOSTON, MASSACHUSETTS 02109

DAVID RINES
ROBERT H. RINES

CABLE SENIR
TELEPHONE HUbbARD 2-3289

August 4, 1966

AUG-9-66 21142 A 332R 20.00

Hon. Commissioner of Patents
Washington, D.C. 20231

Sir:

Please record the attached assignment:

From: Blonder-Tongue Electronics

To: Blonder-Tongue Laboratories, Inc.

Pat. No: 3,259,904 -Issued: 7/5/66

For: "Antenna Having Combined Support and Lead-in"

Check in the amount of $20.00 payable to the Commissioner of Patents is enclosed to cover the recording fee.

Very respectfully,

RINES AND RINES

By Robert H. Rines
Robert H. Rines
Attorneys for the Applicant

RHR:H

Enclosures

3259904-7/5/66-Isaac S. Blonder & Abraham Schenfeld-Antenna Having Combined Support and Lead-in.

RECEIVED
SEP 1 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

A S S I G N M E N T

KNOW ALL MEN BY THESE PRESENTS:

That WHEREAS, BLONDER-TONGUE ELECTRONICS, a corporation of the State of New Jersey, having a principal place of business at Newark, New Jersey is the owner of Letters Patent of the United States No. 3,259,904, issued July 5, 1966; and

WHEREAS, BLONDER-TONGUE LABORATORIES, INC., a corporation duly organized and existing under and by virtue of the laws of the State of New Jersey, and having a principal place of business at Newark, in the said State of New Jersey, hereinafter called the COMPANY, is desirous of acquiring the entire and exclusive right, title and interest in, to and under the said Letters Patent of the United States;

NOW, THEREFORE, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations to Blonder-Tongue Electronics paid by the COMPANY, the receipt of which in full is hereby acknowledged, the said Blonder-Tongue Electronics, has sold, assigned, transferred and set over and by these presents does hereby sell, assign, transfer and set over unto the COMPANY, its successors and assigns, the entire and exclusive right, title and interest in, to and under the said Letters Patent of the United States, and any and all other patent rights that may be based thereon, including all renewals, divisions, reissues, continuations, and extensions thereof, together with right to sue for any and all past and future infringements thereof and to keep any and all recoveries therefrom;

TO HAVE, HOLD AND ENJOY the same to the COMPANY, its successors and assigns, to its and their own use and behoof, to the full end of the term or terms for which the said Letters Patent or other patent rights may be granted, as fully and entirely as the same might have been held and enjoyed by Blonder-Tongue Electronics if no sale or assignment thereof had been made.

WITNESS the hand and seal of Blonder-Tongue Electronics, by its Chairman of the Board, this 3rd day of August, 1966.

Isaac S. Blonder
Chairman of the Board

(corporate seal)

RECORDED
U. S. PATENT OFFICE
AUG - 8 1966
Edward J. Brenner
COMMISSIONER OF PATENTS

REEL 1830 FRAME 031

August 4, 1966

Hon. Commissioner of Patents
Washington, D.C. 20231

Sir:

Please record the attached assignment:

From: Blonder-Tongue Electronics

To: Blonder-Tongue Laboratories, Inc.

Pat. No: 3,259,904 -Issued: 7/5/66

For: "Antenna Having Combined Support and Lead-in"

Check in the amount of $20.00 payable to the Commissioner of Patents is enclosed to cover the recording fee.

Very respectfully,

RINES AND RINES

RHR:H

Enclosures

By _____
Robert H. Rines
Attorneys for the Applicant

ACCT. NO.	DATE	INVOICE NO.	AMOUNT	TOTAL	VO. NO.	
733	Aug 2'66		20.00	20.00		

BLONDER-TONGUE LABORATORIES, INC.
9 ALLING STREET
NEWARK 2, N. J.

Pd for recording 8/4/66
B-T-Ck #2161
30.00

ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

That WHEREAS, BLONDER-TONGUE ELECTRONICS, a corporation of the State of New Jersey, having a principal place of business at Newark, New Jersey is the owner of Letters Patent of the United States No. 3,259,904, issued July 5, 1966; and

WHEREAS, BLONDER-TONGUE LABORATORIES, INC., a corporation duly organized and existing under and by virtueof the laws of the State of New Jersey, and having a principal place of business at Newark, in the said State of New Jersey, hereinafter called the COMPANY, is desirous of acquiring the entire and exclusive right, title and interest in, to and under the said Letters Patent of the United States;

NOW, THEREFORE, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations to Blonder-Tongue Electronics paid by the COMPANY, the receipt of which in full is hereby acknowledged, the said Blonder-Tongue Electronics, has sold, assigned, transferred and set over and by these presents does hereby sell, assign, transfer and set over unto the COMPANY, its successors and assigns, the entire and exclusive right, title and interest in, to and under the said Letters Patent of the United States, and any and all other patent rights that may be based thereon, including all renewals, divisions, reissues, continuations, and extensions thereof, together with right to sue for any and all past and future infringements thereof and to keep any and all recoveries therefrom;

TO HAVE, HOLD AND ENJOY the same to the COMPANY, its successors and assigns, to its and their own use and behoof, to the full end of the term or terms for which the said Letters Patent or other patent rights may be granted, as fully and entirely as the same might have been held and enjoyed by Blonder-Tongue Electronics if no sale or assignment thereof had been made.

WITNESS the hand and seal of Blonder-Tongue Electronics, by its Chairman of the Board, this 3rd day of August, 1966.

(corporate seal)

S/ ISAAC S. BLONDER
Chairman of the Board

August 1, 1966

U R G E N T

Mr. Isaac S. Blonder
Blonder-Tongue Laboratories, Inc.
9 Alling Street
Newark 2, New Jersey

Re: University of Illinois Suit -CA 66c-567
and- US Pat. No. 3,259,904

Dear Ike:

We enclose for your immediate signature and the impressing of the corporate seal of Blonder-Tongue Laboratories, Inc. the enclosed assignment of Patent No. 3,259,904 upon which we plan to counterclaim in the above suit.

Please return to us promptly with check made payable to the Commissioner of Patents (from Blonder-Tongue Laboratories, Inc.) in the amount of $20.00 to cover the recording fee.

Very truly yours,

RINES AND RINES

By_____

RHR:H
Enclosure

cc: Mr. Harry Gilbert

A S S I G N M E N T

KNOW ALL MEN BY THESE PRESENTS:

That WHEREAS, BLONDER-TONGUE ELECTRONICS, a corporation of the State of New Jersey, having a principal place of business at Newark, New Jersey is the owner of Letters Patent of the United States No. 3,259,904, issued July 5, 1966; and

WHEREAS, BLONDER-TONGUE LABORATORIES, INC., a corporation duly organized and existing under and by virtue of the laws of the State of New Jersey, and having a principal place of business at Newark, in the said State of New Jersey, hereinafter called the COMPANY, is desirous of acquiring the entire and exclusive right, title and interest in, to and under the said Letters Patent of the United States;

NOW, THEREFORE, for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations to Blonder-Tongue Electronics paid by the COMPANY, the receipt of which in full is hereby acknowledged, the said Blonder-Tongue Electronics, has sold, assigned, transferred and set over and by these presents does hereby sell, assign, transfer and set over unto the COMPANY, its successors and assigns, the entire and exclusive right, title and interest in, to and under the said Letters Patent of the United States, and any and all other patent rights that may be based thereon, including all renewals, divisions, reissues, continuations, and extensions thereof, together with right to sue for any and all past and future infringements thereof and to keep any and all recoveries therefrom;

TO HAVE, HOLD AND ENJOY the same to the COMPANY, its successors and assigns, to its and their own use and behoof, to the full end of the term or terms for which the said Letters Patent or other patent rights may be granted, as fully and entirely as the same might have been held and enjoyed by Blonder-Tongue Electronics if no sale or assignment thereof had been made.

WITNESS the hand and seal of Blonder-Tongue Electronics, by its Chairman of the Board, this day of August, 1966.

(corporate seal)

Chairman of the Board

REFERENCE NO. 59

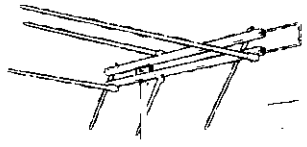
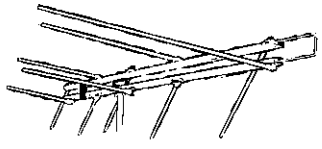
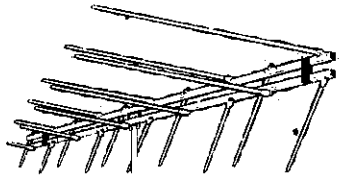
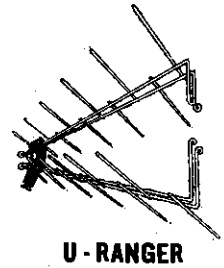
BLONDER-TONGUE

COLOR RANGER ANTENNAS

9 ALLING STREET, NEWARK, NEW JERSEY 07102 / Phone: (201) 622-8151

CONFIDENTIAL DISTRIBUTOR PRICE SCHEDULE / Distributor Sales Division

Effective September 1, 1965

MODEL NO.	DESCRIPTION	LIST	DEALER NET			DISTRIB.	SHPG.WT. (LBS.)
			1	6	12		
 **COLOR RANGER - 3**	COLOR RANGER - 3 Three-element, log-periodic VHF/FM antenna. Pure aluminum construction. Boom Length: 19⅛"	13.45	8.10	7.40	6.85	4.95	3
 **COLOR RANGER - 5**	COLOR RANGER - 5 five-element, log-periodic VHF /FM antenna. Iridite-plated aluminum. Boom Length: 4' 9½"	22.45	13.47	12.35	11.45	8.30	6
 **COLOR RANGER - 10**	COLOR RANGER-10 ten-element, log-periodic VHF /FM antenna. Iridite-plated aluminum. Boom Length: 7'9"	38.25	22.95	21.05	19.50	14.15	9
 **U - RANGER**	U-RANGER UHF add-on antenna for Color Ranger antennas, above. Attaches to above antennas; uses same downlead for UHF, without couplers. Length: 13"	8.95	5.37	4.95	4.55	3.30	2

TERMS: 2% 10th and 25th. Net 30 days.
FOB FACTORIES, NEWARK, N.J.

ALL PRICES AND POLICIES SUBJECT TO CHANGE WITHOUT NOTICE.

SHIPPING INFORMATION

Freight will be prepaid by Blonder-Tongue on all orders exceeding $500.00, when such orders are shipped to a single destination, Freight on all other orders will be paid by the distributor FOB Newark, N.J.

APPROVED FOR COLOR

Letter to Blonder re settlement

URGENT - Re Univ. Illinois
C.A. 66C-567

Dear Sir:

We enclose for your immediate signature & the impressing of the corporate seal of Blonder-Tongue Laboratories, Inc. the enclosed assignment of Pat. 3259904 upon which we plan to counterclaim in the above suit.

Please return two executed copies of same to us promptly & we will forward to Counsel for Plaintiff (Jerry Finch - Tone Laboratories, Inc.) in the amount of $2[illegible] (?)

VLG

From

HARRY A. GILBERT
BLONDER-TONGUE LABORATORIES, INC.
9 ALLING STREET, NEWARK, NEW JERSEY 07102

PLEASE RETURN THIS

Speed Reply

◀ ◀ ◀ ◀ TO Ed

Sept. 16, 1966
DATE

ROBERT H. RINES

SUBJECT

Univ. of Illinois

ORIGINATOR FOLD MARKS

ADDRESSEE FOLD MARKS

Message

Dear Bob:

Enclosed is your copy of the dictation you gave me over the phone today.

Ike checked the answers over....everything should be in order...(i hope).

Millie

SIGNED

ORIGINATOR — DO NOT WRITE BELOW THIS LINE

Reply

TO _____ DATE _____

Nice talking to you — Take it easy now, you wounded "Cuchead"

Mil

RECEIVED
SEP 19 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

SIGNED

103 SR

ADDRESSEE — RETURN WHITE COPY

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

AXEL A. HOFGREN
ERNEST A. WEGNER
JOHN REX ALLEN
WILLIAM J. STELLMAN
JOHN B. McCORD
BRADFORD WILES
JAMES C. WOOD
STANLEY C. DALTON
RICHARD S. PHILLIPS
LLOYD W. MASON
TED E. KILLINGSWORTH
CHARLES L. ROWE
JAMES R. SWEENEY

W. E. RECKTENWALD
J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

September 27, 1966

Mr. Robert H. Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation v.
Blonder-Tongue Laboratories, Inc. v.
JFD Electronics Corporation

Dear Mr. Rines:

Attached please find copy of Notice of Taking Depositions served upon me today. I am sure that we can change the date if it is not convenient for you and the officer of Blonder-Tongue who will be the witness.

So far as I am concerned the week following October 7th will probably find me out of town most of the time. It is now contemplated that I may be in the hospital for check-up purposes for three or four days during the week of October 17th. One of my partners, of course, will be available to assist you if the deposition has to be taken while I am not available.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB
Enc.

RECEIVED
SEP 29 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

MAY A PATENTEE SUE FOR INFRINGEMENT
WITHOUT JOINING AN EXCLUSIVE LICENSEE?

We are presented with the following problem:

"A is assignee of a patent and grants an exclusive license to B.

C is alleged to infringe.

A sues C, but B is not joined as a party.

Is B, the exclusive licensee a necessary party.

If so, any cases in Illinois or that circuit?"

We have also the following additional information:

First, The "exclusive license to B" is for a particular field only;

Secondly, C is charged with infringement in that precise particular field; and

Thirdly, the exclusive licensee is required to pay royalties, wherefore an invasion of the field by the infringer C will affect the financial returns of both A and B.

6 PROPER, NECESSARY AND INDISPENSABLE PARTIES

There is also a subsidiary question relating to the word "necessary", in the expression "necessary party". The word "necessary" should probably have been "indispensable". In this connection, reference may be made to Barney v. Baltimore City, 1867. 6 Wall 280, 284:

> There is a class of persons having such relations to the matter in controversy, merely formal or otherwise, that while they may be called proper parties, the court will take no account of the omission to make them parties. There is another class of persons whose relations to the suit are such that, if their interest and their absence are formally brought to the attention of the court, it will require them to be made parties if within the jurisdiction before deciding the case. But if this cannot be done, it will proceed to administer such relief as may be in its power, between the parties before it. And there is a third class, whose interests in the subject matter of the suit, and in the relief sought, are so bound up with that of the other parties, that their legal presence as parties to the proceeding is an absolute necessity, without which the court cannot proceed. In such cases the court refuses to entertain the suit when these parties cannot be subjected to its jurisdiction. There are cases in which, quoting from a prior decision, "a final decree cannot be made without either affecting that interest, or leaving the controversy in such a condition that its final determination may be wholly inconsistent with equity and good conscience."

The second class of persons here mentioned may be termed "proper" or "necessary" parties. The third class are in the "indispensable" class. As will appear hereinafter, the "exclusive license" is in this instance "indispensable". It is also a "proper" or "necessary" party, and the Court will order it to be made a party if it is within the jurisdiction. As merely a "proper" or "necessary" party, however, the Court could proceed to adjudicate the case without its presence.

The distinction is of importance for several reasons, not the least of which is that, in the case of a "proper" or "necessary" party, Rule of the Federal Rules of Civil Procedure requires that an answer be filed

to the complaint; but that, in the case of an "indispensable" party, it is sufficient to file merely a motion to dismiss:

> Rule 12, F.R.C.P. Defenses etc.
>
> (b) How Presented. Every defense . . . shall be asserted in the responsive pleading thereto if one is required, except that the following defenses may at the option of the pleader be made by motion: . . . (7) failure to join an indispensable party.

TRUE EXCLUSIVE LICENSEES ARE ASSIGNEES.

In Waterman v. McKenzie, 1891, 138 U.S. 252, 255, the Supreme Court distinguished between three kinds of assignment of a patent, on the one hand, and bar licenses on the other. Every instrument that does not fall within one of the three kinds of assignment, the court added, is but a mere license. The three kinds of assignment are as follows:

> "The patentee or his assignees may, by instrument in writing, assign, grant and convey, either, 1st, the whole patent, comprising the exclusive right to make, use and vend the invention throughout the United States; or, 2nd, an undivided part or share of that exclusive right; or, 3rd, the exclusive right under the patent within and throughout a specified part of the United States"

A holder of any of these three rights, the Court continued, is an assignee, vested with

> "a title in so much of the patent itself, with a right to sue infringers; in the second case, jointly with the assignor; in the first and third cases, in the name of the assignee alone."

This last quotation is to the effect that the assignee, even though termed an "exclusive licensee", is the true party in interest, and, therefore, the party to sue for infringement. He is the only party so entitled

to sue, in the case of the first and third classes. In the case of the second class, he is required to sue "jointly with the assignee", because he does not have complete title to the patent. He has title to only "an undevided part or share of that exclusive right." The owner of the remaining "part or share" must therefore join in the suit, in order that the defendant may not be compelled to become subjected to a later suit for infringement of such remaining part of the patent.

This was explained in Independent Wireless Telegraph Company v. Radio Corporation of America, 1926, 269 U. S. 459, 462. The Supreme Court found a way to solve the problem, pages 474-475 of how to force an unwilling licensor, who is out of the jurisdiction, to become a party to an infringement suit by an exclusive licensor. Though we are not concerned with that solution here, there is reasoning in the opinion, for example, page 466, that may be of interest to us also. The Supreme Court gave two reasons for its decision. One of them, pages 466-467, was that the then patent laws, R.S. Section 4921, required the owner of the patent in suit to be the plaintiff. The corresponding present statute is 35 U.S.C. 281 and 100 (d). The other reason, however, which is of interest here, was, page 468, that,

> "in most cases to enable the alleged infringer to respond in one action to all claims of infringement for his act and thus either to defeat all claims in the one action, or by satisfying one adverse decree to bar all subsequent actions."

This second reason is as applicable in cases where the exclusive licensee sues alone as where the patent owner sues alone. In both situations, the defendant should not be compelled to become subjected to a second suit, whether by the exclusive licensee or the patent owner, after having become already once subjected to a first suit by the patent owner or exclusive licensee, respectively.

This second reason was discussed also in Bakelite Corporation v. Lubri-Zol Development Corporation, 1940, D.C. Del, 34 F.Supp 142, 144. That was a declaratory-judgment suit, and the question raised was whether it was sufficient to sue the patent owner alone, or whether it was necessary to join the exclusive licensee. The answer was in the negative. The reason for this answer was as follows:

> "If a patent should be sustained in an equity suit for infringement the measure of damages in the accounting would be one measure for the patent owner and a different measure for the exclusive licensee. The rules of equity do not allow the patent owner to recover the damages sustained by the exclusive licensee. Thus the exclusive licensee must be joined to recover his own damages and to present a second suit therefor."

That is all that is necessary for our purposes, here. The following is of no interest for present purposes.

> "In a declaratory judgment suit as to the validity and scope of a patent there is no patent accounting and the reason for the equity rule with respect to the joinder of an exclusive license does not apply."

It is with the second class of exclusive licensees, discussed in the Waterman case, that we are here concerned. The question for decision is whether the owner of the remaining part or share of the patent may alone sue, without joining the exclusive licensee.

Under the Waterman case, he is required to sue "jointly" with the exclusive licensee. It is well known, furthermore, and, therefore, does not require research, that, if B, instead of A, had been the sole plaintiff he could have forced A to join in the suit. This, however, is the reverse situation, where C wants to know whether he can force B to join in the suit.

SEVERAL AUTHORITIES HOLDING THE EXCLUSIVE LICENSEE TO BE AN INDISPENSABLE PARTY.

In a very early case, Hammond v. Hunt, 4 Banning Arden 111, 11 F.C. P.391, No. 6006, 1879, C.C.Mass. p393, Judge Lowell reasoned:

> "Can an exclusive licensee maintain a bill in equity for infringement without joining the patentee? And can the patentee maintain one without joining the licensee? I answer both of these questions in the negative."

This, however, is perhaps not a good authority, because Judge Lowell continued:

> "By an exclusive licensee I mean one which does not amount to an assignment, by reason of something reserved to the patentee, as in Gaylor v. Wilder, 10 How. 51 U.S. 477, where the patentee excepted out of his grant the right to make the machines within a certain part of the territory granted; or in several cases like this at the bar, in which the patent has been divided by subjects and the grant is to make certain articles exclusively."

But Judge Lowell before the Supreme Court did, in the Waterman case. So let us examine later authorities.

I would like first to invite attention to a dictum in Radio Corporation of America v. Emerson, 1924, 2 Cir., 296 F. 51. In that case, the Radio Corporation brought suit, as

sole plaintiff, for infringement of patents under which it was exclusive licensee in restricted fields, pleading that the American Telephone and Telegraph Company, the owner of the patents, refused to join as a plaintiff.

For our purposes, the pertinent part of the decision, is the dictum, on page 55, to the effect that, if the American Telephone and Telegraph Company had sued the defendant for infringement as owner, without joining the Radio Corporation, as exclusive licensee,

> "In suits for infringement for invasion of the fields covered by these licenses, the appellants could, in equity, properly plead the absence of the Radio Corporation, as a party."

In support of this holding, the Court cited

Burdsell v. Shaliol, 112 U.S. 485

and

v. Conklin, 145 F. 955.

These two cases, however, dealt with cases in which the licenses were not exclusive. The Court continued:

> "In a suit in equity, the general rule is that all the persons interested should be made parties in order to dispose of all the claims and end the litigation. Any party who will be directly affected by the decree is a necessary or indispensable party, and where a party may be directly affected by the decree, a court of equity will not proceed without him, if he is within the jurisdiction of the court."

In Brogdex Co. v. Food Machinery Corporation, 1936, D.C. Del., 16 F. Supp. 228, the defendant filed a motion to dismiss upon the ground that the suit had been filed by the patent owner without joining the exclusive licensee. It appeared that the defendant was likewise a

licensee, though a bare licensee, (apparently a sub-licensee) and it appeared further that the suit against defendant might have been either for patent infringement or violation of the terms of the defendant's non-exclusive license. The complaint, it appeared, was based upon both grounds, praying for both an injunction and for violation of the terms of the license contract.

The District Court held, page 230, that, irrespective of which of these two grounds of suit was involved, the exclusive licensee, as such exclusive licensee, was an indispensable party, and accordingly dismissed the suit.

On appeal, 1937, 3 Cir., 92 F. 2d 787, 789, the Court of Appeals held that though, if this had been a patent suit,

> "Upon the question of the validity or extent of the patent rights, the absent party here might well be an indispensable party,"

this was not necessarily the case in the present suit, which was for violation of the license contract:

> "On the question of contract rights, the absent party, although a proper party, might not be an indispensable party".

The Court ruled that the exclusive licensee was not an indispensable party in this suit for violation of the license contract, and that the rights of absent parties could be saved in the decree, without making it a party.

There is language in this case, by the District Court, page 230, not overruled by the Court of Appeals, from the point of a suit for patent infringement, that is of interest in the present connection. Whether from the point of view of infringement or violation of the license contract,

"The rights alleged to be violated by defendant are the rights of"

the exclusive licensee,

"and the damages occasioned by defendant's violation of said license agreement and damages"

again to the exclusive licensee, who

"is the substantial party plaintiff. The only interest of Brogdex Company is the receipt of royalties from"

the exclusive licensee.

"The of such royalties is the result of defendant's contract. An exclusive licensee is an indispensable party in such a suit. The general principle is that a court of equity cannot make a final decree in the absence of an indispensable party, indispensable in the sense that no decree can be made on the merits of the question that will not necessarily and inevitably affect the interests of such party."

As before stated, the Court of Appeals apparently approved these holdings as proper in a suit for patent infringement, as distinguished from a suit for violating the terms of the license contract.

Bakelite Corporation v. Lubri-Zol Development Corporation, 1940, D.C. Del, 34 F. Supp.142, 144, was cited above for the proposition that it is not necessary to join an exclusive licensee as a defendant in a declaratory-judgment action. If, however, the patentee has parted with his interest by an exclusive assignment, he is no longer an "indispensable party."

This was held in American Type Founders, Inc. v. Dexter Folder Co., 1943, D.C.S.D.N.Y., 53 F. Supp. 602, 604:

"The patent in question relates only to features for printing presses and the patentee has granted to Dexter and Harris between them the exclusive right to make, use and vend feeders for printing presses throughout the United States".

The Court concluded

"that the agreement is an assignement of the entire patent to Dexter and Harris which includes the right to sue in their own names without joining Backhouse as plaintiff . . . since Backhouse has parted with title to the patent and is not an indispensable party."

In that case, the patentee had provided for royalty payments, and also received a license back to sell in Great Britain, and the Court ruled:

"The reservation of a royalty does not prevent the agreement from being an assignment . . .

The fact that Backhouse received a license to sell British feeders for British built machines, does not defeat an assignment."

The court ruled further that Backhouse, the inventor, was "not an indispensable party", but that "Harris is a proper party".

The "indispensable party", according to this decision, therefore, was, not the patent owner, but the exclusive licensee, Dexter (and also Harris" who was called a "proper party").

In Paper Container Mfg. Co. v. Dixie Cup Co., 1947, D.C. Del., 74 F. Supp. 389, 396, an applicant for patent assigned his application to the Reconstruction Finance Corporation. (It was really a mortgage.) The applicant filed suit under R. S. 4915 without joining the R.F.C., The District Court held that the R.F.C. was an indispensable party, refused leave to amend the complaint so as to join the R.F.C., and dismissed the suit.

The Court of Appeals, 1948, 3 Cir., 120 F. 2d 333, 337, certiorari denied, 336 U. S. 909, agreed on everything, except that the amendment to the complaint should not have been refused. The Court of Appeals held that the applicant and the R. F. C. were both indispensable parties.

To the same effect: Radio Corporation of America v. International Standard Electric Corporation, 1956, 3 Cir., 232 F. 2d 726, 728.

In E. W. Bliss Company v. Cold Metal Process Company, 1959, D.C.Ohio, 174 F. Supp. 99, 130-131, it was argued that a counterclaim should be dismissed because the counter-claimant had not joined an exclusive licensee. The Court apparently agreed that this would have been correct if the facts had established an exclusive license, but held that there was no exclusive license, because, page 132,

> "the license must endow the licensee with rights tantamount to an assignment of the patent,"

and that, in the case before the court, the license did not confer "such a bundle of rights". The licensee was therefore "not an indispensable party to the counterclaim".

The circumstances attendant upon a case may, of course, modify the general rule. In Sales Affiliates v. Hutzler Bros. Co., 1947, D.C. Md., 71 F. Supp. 287, 290, aff. 1947, 4 Cir., 164 F.2d 260, for example, an exclusive licensee, the Schering Corporation, was denied leave to intervene in a suit for infringement upon the ground that the exclusive-license contract expressly provided that it would have no right to intervene,

> "and also because of the absence of any showing that the Schering Corporation's rights under that agreement would not be adequately presented even though it was denied the right to intervene at this point."

The decision of the Court of Appeals did not even mention the

point, though the title of the case included the parenthesis: (Schering Corporation Interventor).

As another example, reference may be made to Parker Rust-Proof Co. v. Western Union Telegraph Co., 1939, 2 Cir., 105 F. 2d 976, which presented a case where an exclusive licensee should, under the rules, have been joined, but where it was held that in that particular case, he should not be joined, because of estoppel arising out of inequitable conduct of the opposing party.

Under slightly differing circumstances, where no estoppel or inequitable conduct was evidenced, however, the same court, at the same time, arrived at a different result, in Nachod v. United States Liquid Co., Inc. v. Automotive Signal Corporation, 1939, 2 Cir., 105 F. 2d 981, 982.

3 Walker on Patents, Deller's Edition, 1937, p. 1822, Section 541, says:

> "When an equitable owner brings a suit in equity in the name of the holder of the legal title alone, the defendant may, by means of a motion of the Court, compel the equitable owner to become a co-complainant in his own name, if that action is necessary to the protection of the rights of the defendant,

citing cases; and,

4 Walker, Sec. 1881D p. 2666, says further:

> "In equity, the exclusive license and the patentee should generally maintain the suit jointly,

citing further cases. Another test is

3 Moore, Sect. 17.11 p 1354, at p. 1358,

All the cases discussed above have involved cases of the first class discussed in the Waterman decision. We, however, as before stated, are interested in cases involving the second class.

Authorities Holding That The Same Rule Applies In Connection With Exclusive Licenses Of The Second Class Discussed In The Waterman Opinion

Two authorities that may be cited under this title are of a negative, rather than a positive, character.

In P.R. Mallory & Co., Inc. v. Automotive Mfrs.' Outlet, Inc., 1930, D.C.S.D.N.Y., 45 F. 2d 810, 813, for example, suit was brought for infringement, without joining exclusive licensees. The exclusive licensees, however, were in various fields foreign to the field of use by the defendant. Reviewing a large number of authorities, the Court held that under these circumstances, no such joinder was necessary:

> "While there are a number of cases holding that an exclusive licensee must be included as a party plaintiff, it was undoubtedly upon the theory that an exclusive licensee had exclusive equitable rights in the matter or field involved."

Otherwise,

> "such licensee is not affected and no good purpose would be served by forcing it to become a party plaintiff"

In Fauber v. United States, 1941, Ct.Cl., 37 F. Supp. 415, 435, as another example, the owner of a patent sued without joining a licensee whose license, though exclusive, was in a limited field only, different from the field involved in the suit. The Court of Claims held that, so far as that particular suit, relating to a different field, was concerned, the licensee was not even a necessary party.

Both these cases, as before stated, were of a negative character. They relate to situations where, because the matter in suit related to a field different

from the fields of the exclusive licenses, it was held that it was therefore not necessary to join the exclusive licensees as parties plaintiff.

Another case, Pope Manufacturing Co. of Connecticut v. Clark, 1891, C.C.Md., 465, 789, 792, though not really pertinent, will be discussed, for what it may be worth, in the Appendix.

All further that will be considered here is that, even if a party is not "indispensable", but only "necessary", he may still be added as a party to the suit if the Court can acquire jurisdiction over him.

NECESSARY PARTIES

Reference may be made first to

Rule 19, F.R.C.P. Necessary Joinder of Parties

> (a) Necessary Joinder. Subject to the provisions of Rule 23 and of subdivision (b) of this rule, persons having a joint interest shall be made parties and be joined on the same side as plaintiffs or defendants. When a person who should join as a plaintiff refuses to do so, he may be made a defendant or, in proper cases, an involuntary plaintiff.
>
> (Note. Rule 23, relates to class actions. Subdivision (b) will be discussed presently.

The second sentence of (a) conforms to Independent Wireless Telegraph Company v. Radio Corporation of America, 1926, 269 U.S. 459)

> (b) Effect of Failure to Join. When persons who are not indispensable . . .
>
> (Note. It is our contention that the exclusive licensee is indispensable)

(Note, however, that this Rule 19 distinguishes between "necessary" and "indispensable" parties. According to Rule 19 (b), "necessary" parties "are not indispensable". Though they ought to be parties to effect complete justice,

the case may nevertheless be tried in their absence.)

(Even "necessary" parties, nevertheless, may be compelled, on motion, to be joined. Such joinders may be waived, however, by failure to file a suitable motion reasonably. See Rule 21, "Misjoinder and Non-Joinder of Parties.")

Coming, now, to the authorities, the following two will suffice.

In Dental Precision Shoulder, Inc. v. L. D. Caulk Co., Inc., 1947, D.C.E.D.N.Y. 7 F.R.D. 203, for example, a patentee, after filing suit for infringement, moved to amend the complaint by adding as an "involuntary plaintiff" the Consolidated Diamond Saw Blade Corporation, which has "certain exclusive rights in said patent." The Saw Blade Company declined voluntarily to join as coplaintiff.

The defendant opposed the motion arguing that Saw Blade was not an indispensable party.

The Court held, however, that Saw Blade was at least

> "a "necessary" party (not indispensable, but on the other hand not nominal) and it ought to be made a party if that can be done without depriving the court of jurisdiction of the parties now before it. F.R. 19(b).

The Court granted the motion to the extent of permitting amendment of the complaint in such fashion as to recite the relationship of Saw Blade to the controversy.

The Court pronounced the solution presented in this case to be the reverse of the solution in the Independent Wireless Case, 1926, 269, U.S. 459, but considered that it was

not necessary to make the reverse decision, since the same result could be obtained in another manner.

This case has never apparently been cited in any other case.

Another case is:

Daimler Mfg. Co. v. Conklin, 1906, C.C.S.D.N.Y. 145 F. 955, 556:

Referring to the objection that there is an improper joinder of parties complainant, I think the bill prima faci sufficiently answers the license to Lehman Charley to indicate the exclusive character in the territory specified. In any event, the bill alleges that Charley has an interest in the patented invention which is capable of being impaired by the asserted wrongful acts of the defendant, and, accordingly, he is thought to be a proper party complainant.

CONCLUSION

There may possibly be one link missing in the above chain, namely, that there is no authority definitely holding that an exclusive license in a particular field must be joined as party plaintiff in a suit for infringement against a party whose infringement lies in that very same field.

It has been established, however, that:

First, speaking generally, a patentee may not sue for infringement (though he may for violation of a license contract) without joining his exclusive licensee or licensees whose licensee or licensees embrace all fields of the patent; and,

Secondly, a patentee is not compelled to join as party plaintiff an exclusive licensee in a particular field in a suit for infringement in a different field.

APPENDIX

Pope Manufacturing Co. of Connecticut v. Clark, 1891, C.C.Md., 46 F. 789, 792.

In that case, the plaintiff, Pope Manufacturing Co., acquired title to an Overman patent by assignment from Overman and the Overman Wheel Company. The Overman Wheel Company retained the right to manufacture and sell pedals, call them A pedals, under the patent, but not the particular pedals, call them B pedals (which were all pedals other than A), it was now agreed, the Pope Co. was to manufacture and sell. Accordingly,

> "It is clear that the legal title of the Overman patent is in the complainant, and that the Overman Wheel Company is only a licensee".

The important question to be answered was what was the nature of the license. The Overman Wheel Company, the court held, was the "sole" licensee, insofar as pedals A were concerned; but that "sole" right was a license reserved by the restraint of sale of the patent, and was not an "exclusive right", as that term is today used in the law.

Several opinions so construing the assignment contract will be referred to hereinafter.

The alleged infringer was manufacturing the A form of pedal that the Overman Wheel Company was manufacturing, not the B pedal that the Pope Company was manufacturing .

All this is gathered from the following actual wording, page 792:

> "The complainant acquired the title to this Overman patent on June 10, 1886, by assignment from Albert H. Overman and the Overman Wheel Company, and by agreement of that date it was stipulated between the same parties that the Overman Wheel Company should have the right without payment of royalty, to make, use, and sell

> the inventions described in that patent, and that the complainant would make, use and sell pedals of the form then made by the Overman Wheel Company, but that the complainant and its licensees might use the form of pedals then used by them, or any other form not substantially similar to the form then used by the Overman Wheel Company".

On the basis of these facts, the Court ruled:

First, "there is no doubt that the complainant is the proper party to bring suit for infringement and injunction", citing the Waterman case, 138 U.S. 252; and, secondly, since "The form of the pedal sold by the defendant appears to be the form which the Overman Company have the sole right to make, use and sell," it was no concern of the plaintiff, the Pope Company, which was manufacturing the different A pedal.

The Court held that, on the other hand, the suit did not concern the Overman Wheel Company, either, because "this affects only the question of damages, and need not now be considered".

Apparently, the question was neither raised nor decided as to whether the Overman Wheel Company should be joined as a party plaintiff.

P. 4, Walker on Patents, Deller's Edition, 1937, Section 431, page 1640, comments:

> "But the holder of a license less than exclusive must not join in a suit in equity for an infringement of the patent under which he is licensed even when the infringement consisted in making and selling one form of the patented invention, which the licensee was exclusively licensed to make and sell (Pope Mfg. Co. v. Clark, 46 F. 289, 796 (1891).

It would appear that the use of the word "exclusive", toward the end of this quotation, was not in the sense that this term is ordinarily employed. It was used in the sense of "sole". No question of exclusiveity arose in the case. As an "exclusive" licensee, the Overman Company would have been

required to be joined as party plaintiff; as a "sole" licensee, it was not so required.

In subsequent proceedings, Overman Wheel Co. v. Curtis, 1892, C.C. Conn., 53 F. 247, 249, the defendant pleaded defect in title. The Court overruled this contention:

> "Under the assignment by the complainant the Overman Wheel Company, of June 10, 1886, the legal title to the patent vested in the complainant the Pope Manufacturing Company, subject only to the reservation by the Overman Wheel Company of the sole right to make pedals like the infringing pedal. The two complainants, therefore, own all rights under said patent, and are the proper parties in this suit."

The decision was reversed on appeal, 1893, 2 Cir., 58 F. 784, but upon the ground only of invalidity of the patent. The Court of Appeals did not rule upon the issue of defect of title.

Now for the opinions construing the assign contract in the Pope case. It was described as follows in Sirocco Engineering Co. v. Monarch Ventilator Co., 1910, C.C.S.D.N.Y., 184 F. 84, 85, though speaking specifically of the instrument involved in that case:

> "I think that the instrument, although called a license, was in legal effect an assignment. It was a grant of the patent, with the reservation of a license to the grantor".

In Lock Joint Pipe Co. v. Meller, 1916, 3 Cir., 234 F. 319,321, the Pope case was again construed as holding that the instrument in the Pope case was an assignment of the patent, "though it is coupled with a license back to the assignor or with rights reserved by the assignor."

The last decision in which I have found this case cited is P. R. Mallory & Co. Inc. v. Automotive Mfrs'. Outlet Inc., 1930, D.C.S.D.N.Y., 45 F. 2d 810, where it is among a group of cases supporting the following:

> "the alleged assignment (Plaintiff's Exhibit 2) is to be regarded as an assignment conveying to the plaintiff the entire right, title, and interest in the patent in suit, subject to licensee in certain commercial fields, and vests in the plaintiff the legal title to the patent."

I therefore do not agree with the Walker text above-quoted to the effect that the license in the Pope case was "exclusive", assuming that the Walker text really meant to use the term as different from "sole". In fact, the Mallory decision continued:

> "Therefore, I am of the opinion that the Elkin Works, Inc. is in a position to sue, and that the licensees in the limited fields, Radio Corporation of America, General Electric Company and the American Telephone and Telegraph Company, which fields are not claimed to be invaded, are not indispensable as parties plaintiff"

Difference between "Sole" and "Exclusive" License

Swain, Joseph W., Jr., Patents and Antitrust - Some Recent Developments, 43 J.P.O.SOC., No. 4, April 1961, page 251, at page 254:

> "Exclusive license" does not mean sole licensee. Thus, a non-exclusive license may be outstanding, when the patent owner grants a second license, subject to the first, accompanied by the promise that the grantor will give no further licenses. Western Electric Co., Inc. et al. v. Pacent Reproducer Corp., et al., 42 F. 2d 116 (2nd Cir. 1930); Paul E. Hawkinson Co., et al. v. Carnell, et al., 112 F. 2d 396 (3rd Cir. 1940)."

See also Philadelphia Brief Case Company v. Specialty Leather Products, 1956, D.C.N.J., 145 F. Supp. 425, aff. 242 F. 2d 511.

AIR MAIL
SPECIAL DELIVERY

30 August 1966

John Rex Allen, Esq.
Hoffgren, Wegner, Allen, Stellman and McCord
20 North Wacker Drive
Chicago, Illinois 60606

Re: University of Illinois Foundation
v. Blonder-Tongue Laboratories Inc., et al
No. 660567

Dear Mr. Allen:

It was a pleasure meeting with you last week to discuss the above litigation. Thank you for a wonderful luncheon.

Enclosed are the promised drafts of the answer and counterclaim and a motion to add JFD, which we drafted in the Maine woods and which are being transcribed and sent to you for finalizing without our having checked them.

Upon our return, we shall suggest the noticing of depositions of at least the Foundation president, Hjalmar W. Johnsen, who issued the newsreleases, and Edward Pinkel, the JFD vice-president, who filed an affidavit re the license with the Foundation in opposition to our motion to dismiss.

Cordially,

RINES AND RINES

By_____

RHR:he
Enclosures: Draft of Answer and
Counterclaim, Motion to Add JFD

cc: Messrs. Gilbert and Blonder
Blonder-Tongue Laboratories

LAW OFFICES

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J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

August 26, 1966

Mr. Robert H. Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation
v. Blonder-Tongue Laboratories, Inc.
and Allied Radio Corporation

Dear Mr. Rines:

Attached please find copy of plaintiff's second set of interrogatories to defendant Blonder-Tongue, which was received by us this morning.

Sincerely,

JRA:DB
Enc.

RECEIVED
AUG 29 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

AXEL A. HOFGREN
ERNEST A. WEGNER
JOHN REX ALLEN
WILLIAM J. STELLMAN
JOHN B. McCORD
BRADFORD WILES
JAMES C. WOOD
STANLEY C. DALTON
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J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

August 12, 1966

Mr. Robert H. Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation
v. Blonder-Tongue Laboratories and
Allied Radio Corporation

Dear Mr. Rines:

This will confirm the information given Mr. David Rines this afternoon with regard to Judge Hoffman's decision on our motions.

Judge Hoffman obviously spent a great deal of time searching the law and read a decision denying our motions. We have ordered a copy of the opinion from the reporter but probably won't have it until early next week.

We were given twenty days from today to file our answer at which time I will present a motion to dismiss Allied Radio as a party defendant.

It is too bad this happened as it means that you will have to file suit on your patent in New York.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB

RECEIVED
AUG 15 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

July 26, 1966

John Rex Allen, Esquire
Hoffgren, Wegner, Allen, Stellman & McCord
20 No. Wacker Drive
Chicago, Illinois - 60606

Re: University of Illinois Foundation
v. Blonder-Tongue Laboratories, Inc. et al
Civil Action 66C-567

Dear Mr. Allen:

In accordance with our recent telephone conversation, we are asking our client to send to you directly Answers to Interrogatories that we prepared with our client's assistance.

You will observe from the answer to the first interrogatory the soundness in not lumping this suit in with the other defendants in the other suits, since our client, unlike the other defendants, does not manufacture the antennas with electrically transposed feeders.

The answers, accordingly, prove to be quite simple and straightforward.

We are somewhat at a loss to know what step next to take until the judge acts on the Motion to Dismiss. We shall certainly want to take the depositions of the President of the University of Illinois Foundation who issued the news release relating to this litigation, and lent the name of the Foundation to inaccurate and misleading advertising, including circulation of our client's customers, which we feel constitutes an unfair trade practice and which we expect to raise either by way of counterclaim in this suit, or, if the suit is dismissed, by way of an independent suit against both the University of Illinois and the manufacturer with whom this conspiracy was made.

We will include a patent infringement count in connection with our client's patent, both on the grounds that the University has gone into business with the manufacturer and is thus not just a licensor but an infringer and upon the ground that the University has induced infringement and lent its name as the purported developer of the very antennas of the manufacturer which were redesigned to copy our client's patented arrangement.

We also informed you that we are considering a rather plausible anti-trust count by way of counterclaim or new suit because in this case the University of Illinois Foundation has taken many affirmative acts to restrain competition that go far beyond a licensor-licensee relationship and that demonstrate the University's active participation in the commercial venture and its attempt to restrain competition.

At our end, we shall now put this material in final form so that it can be used either by way of counterclaim or by way of new suit, and we shall be in touch with you in the near future.

Very truly yours,

RINES AND RINES

RHR/MN

By_____

cc:I.S.Blonder

July 26, 1966

Mr. Isaac S. Blonder
Blonder-Tongue Laboratories, Inc.
9 Alling Street
Newark, New Jersey

Re: University of Illinois Foundation v.
Blonder-Tongue Laboratories, Inc. and
Allied Radio Corporation - CA 66C 567

Dear Ike:

We enclose a set of Answers to Interrogatories that we discussed with you today and would ask you to sign the original and three copies before a Notary Public who should insert the date at the indicated blank space, sign his name and attach his notarial seal.

Would you then please send the original and two copies directly to

John Rex Allen, Esquire
Hoffgren, Wegner, Allen, Stellman & McCord
20 No. Wacker Drive
Chicago, Illinois - 60606

Please send the remaining copy to us for our files.

Very truly yours,
RINES AND RINES

By_____

RHR/MN

cc: John Rex Allen, Esquire

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNIVERSITY OF ILLINOIS FOUNDATION
Plaintiff

v.

Civil Action
No. 66C 567

BLONDER-TONGUE LABORATORIES, INC. et al
Defendant

ANSWERS TO
PLAINTIFF'S INTERROGATORIES

Now comes the Defendant Blonder-Tongue Laboratories, Inc., by its Chairman of the Board, Isaac S. Blonder, and answers the interrogatories of Plaintiff as follows:

1. No.

2, 3, 4. No answer needed in view of the negative answer above.

5. Engineering Notebooks A.E.S., Nos. 1, 2, 3 and 4; Drawings Nos. MD-1551 and MC-1658C.

6. Apart from a copy of the patent in suit, other documents are privileged.

7. (a) When purported service of the present suit was made upon Defendant, Blonder-Tongue Laboratories, Inc.

(b) Apart from a copy of the patent in suit, Defendant is unaware of any other documents in its possession of the type requested in this paragraph.

_____
Chairman of the Board

State of New Jersey:
: ss
County of Essex :

Being duly sworn before me this____day of July, 1966, Isaac S. Blonder deposes and says that he is the Chairman of the Board of Blonder-Tongue Laboratories, Inc., and that he has provided such answers on behalf of Blonder-Tongue Laboratories, Inc., and that such answers are true and accurate to the best of his information and belief.

_____
Notary Public

My commission expires:

(SEAL)

RECEIVED
JUL 28 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNIVERSITY OF ILLINOIS FOUNDATION
Plaintiff

v.

Civil Action
No. 66C 567

BLONDER-TONGUE LABORATORIES, INC. et al
Defendant

ANSWERS TO
PLAINTIFF'S INTERROGATORIES

Now comes the Defendant Blonder-Tongue Laboratories, Inc., by its Chairman of the Board, Isaac S. Blonder, and answers the interrogatories of Plaintiff as follows:

1. No.

2, 3, 4. No answer needed in view of the negative answer above.

5. Engineering Notebooks A.E.S., Nos. 1, 2, 3 and 4; Drawings Nos. MD-1551 and MC-1658C.

6. Apart from a copy of the patent in suit, other documents are privileged.

7. (a) When purported service of the present suit was made upon Defendant, Blonder-Tongue Laboratories, Inc.

(b) Apart from a copy of the patent in suit, Defendant is unaware of any other documents in its possession of the type requested in this paragraph.

Isaac S. Blonder
Chairman of the Board

State of New Jersey:
ss
County of Essex :

Being duly sworn before me this 27 day of July, 1966, Isaac S. Blonder deposes and says that he is the Chairman of the Board of Blonder-Tongue Laboratories, Inc., and that he has provided such answers on behalf of Blonder-Tongue Laboratories, Inc., and that such answers are true and accurate to the best of his information and belief.

Donald M. Shachat
Notary Public

My commission expires:

(SEAL)

DONALD M. SHACHAT
NOTARY PUBLIC OF N. J.
My Commission Expires Aug. 27, 19[illegible]

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

AXEL A. HOFGREN
ERNEST A. WEGNER
JOHN REX ALLEN
WILLIAM J. STELLMAN
JOHN B. McCORD
BRADFORD WILES
JAMES C. WOOD
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W. E. RECKTENWALD
J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

July 18, 1966

Mr. Robert H. Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation
v. Blonder-Tongue Laboratories
and Allied Radio Corporation

Dear Mr. Rines:

Mr. Mann agreed to our proposal so there will be no necessity to file the answers to the interrogatories until the Court hands down its decision on our motion. Mr. Mann is also going to call the matter to the attention of Judge Hoffman in the hopes of getting a prompt decision.

Of course, you should be ready to answer the interrogatories, if possible, by the 27th.

We will keep you advised of developments.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB

RECEIVED
JUL 19 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

LAW OFFICES

AXEL A. HOFGREN
ERNEST A. WEGNER
JOHN REX ALLEN
WILLIAM J. STELLMAN
JOHN B. McCORD
BRADFORD WILES
JAMES C. WOOD
STANLEY C. DALTON
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J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

July 12, 1966

Mr. Robert H. Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: The University of Illinois Foundation
v. Blonder-Tongue Laboratories, Inc.
and Allied Radio Corporation

Dear Mr. Rines:

Attached please find copy of memorandum order received today in the above case. This essentially means that Judge Hoffman is going to press us to get to trial as soon as possible. Normally cases are not placed on this call until they are at issue.

Have you reached any decision yet as to the plaintiff's interrogatories?

Yours very truly,

John R. Allen

JRA:DB
Enc.

RECEIVED
JUL 13 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Name of Presiding Judge, Honorable JULIUS J. HOFFMAN

Cause No. 66 C 567 Date JUL 5 - 1966

Title of Cause University of Ill. Foundation vs. Blonder-Tongue Laboratories, Inc., et al

Brief Statement of Motion

The rules of this court require counsel to furnish the names of all parties entitled to notice of the entry of an order and the names and addresses of their attorneys. Please do this immediately below (separate lists may be appended).

Names and Addresses of moving counsel

Representing

Names and Addresses of other counsel entitled to notice and names of parties they represent.

Reserve space below for notations by minute clerk

ON COURTS MOTION

CAUSE PLACED ON CALL OF CASES HOLDING PLACE FOR TRIAL

CALENDAR NO. 88

Judge Hoffman

RECEIVED
JUL 13 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

RECEIVED
JUL 12 1966
HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

Hand this memorandum to the Clerk.
Counsel will not rise to address the Court until motion has been called.

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

AXEL A. HOFGREN
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W. E. RECKTENWALD
J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

July 5, 1966 Env.

Mr. David Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: The University of Illinois Foundation
v. Blonder-Tongue Laboratories, Inc.
and Allied Radio Corporation
Civil Action No. 66 C 567

Dear Mr. Rines:

Attached please find copy of memorandum order in the above case.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB
Enc.

RECEIVED
JUL - 7 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

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UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Name of Presiding Judge, Honorable Julius J. Hoffman

Cause No. 66 C 567 Date June 30, 1966

Title of Cause The University of Illinois Foundation, Plaintiff,
vs. Blonder-Tongue Laboratories, Inc. et al, Defendants

Brief Statement of Motion Pursuant to stipulation the time for defendant Bonder-Tongue Laboratories, Inc. to object to plaintiff's first set of interrogatories be extended to and including July 17, 1966 and the time to answer said interrogatories be extended to July 27, 1966.

Stipulation

The rules of this court require counsel to furnish the names of all parties entitled to notice of the entry of an order and the names and addresses of their attorneys. Please do this immediately below (separate lists may be appended).

Names and Addresses of moving counsel John Rex Allen
20 North Wacker Drive, Chicago, Illinois 60606

Representing Defendants

Names and Addresses of other counsel entitled to notice and names of parties they represent. Merriam, Marshall, Shapiro & Klose
30 West Monroe Street, Chicago, Illinois
Representing Plaintiff

RECEIVED
JUL 5 - 1966
HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

Reserve space below for notations by minute clerk

Entire Order

Judge J. Hoffman

RECEIVED
JUL - 7 1966
RINES AND RINES
10 TEN POST OFFICE SQUARE, BOSTON

Hand this memorandum to the Clerk.
Counsel will not rise to address the Court until motion has been called.

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

AXEL A. HOFGREN
ERNEST A. WEGNER
JOHN REX ALLEN
WILLIAM J. STELLMAN
JOHN B. McCORD
BRADFORD WILES
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STANLEY C. DALTON
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LLOYD W. MASON
TED E. KILLINGSWORTH
CHARLES L. ROWE
JAMES R. SWEENEY

W. E. RECKTENWALD
J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

June 30, 1966

Mr. David Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: The University of Illinois Foundation
v. Blonder-Tongue Laboratories, Inc.
and Allied Radio Corporation
Civil Action No. 66 C 567

Dear Mr. Rines:

Attached please find copy of stipulation entered into with counsel for plaintiff in the above matter. A copy of the order signed by Judge Hoffman will be sent you tomorrow.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB
Enc.

RECEIVED
JUL - 1 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

PLEASE RETURN THIS

Speed Reply

◀ ◀ ◀ ◀ TO

HARRY A. GILBERT

BLONDER-TONGUE LABORATORIES, INC.

9 ALLING STREET, NEWARK, NEW JERSEY 07102

JUNE 27, 1966
DATE

M.r. Robert H. Rines
Rines & Rines
No. Ten Post Office Sq.
Boston, Mass.

SUBJECT

Univ. of Illinois - Patent Suit

ORIGINATOR FOLD MARKS

ADDRESSEE FOLD MARKS

Message

Dear Bob:

Enclosed is a copy of an article which appeared in Home Furnishings Daily.

I assume that this was the report of local reporters. We are still following the plan of giving no publicity releases until we receive clearance from you.

Harry Gilbert

SIGNED

ORIGINATOR — DO NOT WRITE BELOW THIS LINE

Reply

/mpm
Enc.

TO _____ DATE _____

RECEIVED
JUN 29 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

SIGNED

103 SR

ADDRESSEE — *RETURN WHITE COPY*

MERTON FIUR ASSOCIATES
PUBLIC RELATIONS COUNSEL
743 FIFTH AVENUE • NEW YORK, NEW YORK 10022 • PHONE PLaza 2-8338

MESSAGE

TO

Mr. Harry Gilbert, V.P.

BLONDER-TONGUE LABORATORIES, INC.
9 Alling Street
Newark, New Jersey 07102

DATE

June 24, 1966

Dear Harry:

Here's the article we discussed on the patent infringement suit.

Please keep us advised of all future developments in this case.

Regards,

P.H.Geffner

BY _____

REPLY

DATE

RECEIVED
JUN 29 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

SIGNED _____

INSTRUCTIONS TO SENDER:
1. KEEP YELLOW COPY. 2. SEND WHITE AND PINK COPIES WITH CARBON INTACT.

INSTRUCTIONS TO RECEIVER:
1. WRITE REPLY. 2. DETACH STUB, KEEP WHITE COPY, RETURN PINK COPY TO SENDER.

RECEIVED
JUN 29 1956
RINES AND RINES
No. 101 POST OFFICE SQUARE, BOSTON

2 Deny Infringing Antenna Patent

CHICAGO (AP) — Bendix-Pacific International, Inc., Newark, N. J., and Allied Radio Corp. have asked Federal Court to dismiss a suit charging they infringe a patent owned by University of Illinois Foundation for a frequency-independent, unidirectional antenna.

The defendants made demand on the ground that the foundation failed to join JFD Electronics Corp., Brooklyn, N. Y., as a plaintiff. JFD, the defendants assert, is exclusive licensee under the patent, No. 2,985,885, and an indispensable party to the suit.

Dalgren, Wegner, Allen, Sturdevant & McCord represents the defendants. Rines and Rines, Boston, & Baker, Putnam & Pennie, Chicago, represent the foundation.

Doug Fordham's Daily
6/29/56

June 24, 1966

Air - Special

Robert H. Rines, Esq.
Princess Kaulani Hotel
Honolulu

Re: Univ. of Illinois v. Blonder Tongue

Dear Son:

In the Illinois suit against Blonder Tongue, interrogatories have been filed.

I have taken up with local counsel the question as to what is the proper procedure to object to the interrogatories under local rules.

Perhaps you may want to stop off at Chicago on your way back to consult local counsel in person.

John Rex Allen, Esq.
Hofgren, Wegner, Allen, Stellman
and McCord
20 North Wacker Drive
Chicago, Illinois 60606
Tel: Financial 6 - 1630 (AC 312)

Very truly yours,

RINES AND RINES

DR:H

By_____

B-T- Illinois Suit

Ent.
7/1 - Objections to Interrogs.

Ent.
7/6 - Answers Interrogs.

June 24, 1966

Mr. Isaac S. Blonder
Blonder-Tongue Laboratories, Inc.
9 Alling Street
Newark 2, New Jersey

Re: University of Illinois Foundation v.
Blonder-Tongue Laboratories, Inc. et al
Civil Action No. 66 C 567

Dear Mr. Blonder:

In my son's absence I enclose a set of interrogatories that have been filed by the plaintiff in this suit. Under the Rules, answers must be filed within fifteen days, which means by July 6, 1966.

We believe that these interrogatories should not have been filed in advance of a decision on the motion to dismiss. From the practical point of view, however, we shall be compelled to answer these interrogatories sooner or later. We would, therefore, recommend that you give us the answers insofar as you can, as soon as possible in order that we may have ample time in which to study them and prepare final answers.

Please return the enclosed interrogatories because we have not stopped to make a copy thereof since we wish to advance this work as rapidly as possible.

Very truly yours,

RINES AND RINES

By_____

DR:H
Enclosures

Via Air

June 24, 1966

John Rex Allen, Esq.
Hofgren, Wegner, Allen, Stellman & McCord
20 North Wacker Drive
CHICAGO, ILLINOIS 60606

Re: University of Illinois Foundation v.
Blonder-Tongue Laboratories, Inc. et al
Civil Action No. 66 C 567

Dear Mr. Allen:

We have your letter of June 23 enclosing copies of Plaintiff's interrogatories.

In view of the fact that the motion to dismiss has not yet been decided and in view of the further fact that if the motion should be granted, there would be no obligation to answer the interrogatories, it occurs to us to inquire whether, under your practice, a motion to strike these interrogatories should not be filed, or should this matter be raised by means of an objection within ten days, as provided for by Rule 33. Perhaps Rule 30(b) is also applicable.

We assume that either or both of these procedures can be followed out by you without help from us.

Please, however, let us hear from you promptly, because, in the absence of suitable procedure, these interrogatories must be answered under Rule 33 within fifteen days.

Very truly yours,

RINES AND RINES

DR:H

By_____

LAW OFFICES

AXEL A. HOFGREN
ERNEST A. WEGNER
JOHN REX ALLEN
WILLIAM J. STELLMAN
JOHN B. McCORD
BRADFORD WILES
JAMES C. WOOD
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DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
AREA CODE 312

June 23, 1966

Mr. Robert Rines
Rines & Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation
v. Blonder-Tongue Laboratories, Inc.
and Allied Radio Corporation
Civil Action No. 66 C 567

Dear Mr. Rines:

Attached please find copy of plaintiff's first set of interrogatories to Blonder-Tongue which was received by us this morning.

Encl.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB
Enc.

RECEIVED
JUN 24 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

20 NORTH WACKER DRIVE

CHICAGO 60606

TELEPHONE
FINANCIAL 6-1630
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AXEL A. HOFGREN
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J. R. STAPLETON
WILLIAM R. McNAIR
JOHN P. MILNAMOW
DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

June 20, 1966

Mr. David Rines
Rines & Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation v.
Blonder-Tongue Laboratories, Inc. et al
Civil Action No. 66 C 567

Dear Mr. Rines:

Attached please find copy of the two orders entered in the above case on June 16th.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB
Enc.

RECEIVED
JUN 21 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS
Eastern DIVISION

Name of Presiding Judge, Honorable Julius J. Hoffman

Cause No. 66 C 567 Date 6/16/66

Title of Cause The University of Illinois Foundation v. Blonder-Tongue Laboratories, Inc. and Allied Radio Corporation

Brief Statement of Motion Motion for leave to file Defendants' Reply Brief in Support of its Motion to Dismiss etc.

Defts' Reply Brief

The rules of this court require counsel to furnish the names of all parties entitled to notice of the entry of an order and the names and addresses of their attorneys. Please do this immediately below (separate lists may be appended).

Names and Addresses of moving counsel John Rex Allen
20 North Wacker Drive

Representing Defendants

RECEIVED
JUN 20 1966
HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

Names and Addresses of opposing counsel (if any) and names of parties they represent. Merriam, Marshall, Shapiro & Klose
30 West Monroe Street, Chicago, Illinois
Representing Plaintiff

Reserve space below for notations by minute clerk

Leave to Defts to file instanter their Reply Brief in support of Motion to dismiss

Judge Hoffman

RECEIVED
JUN 21 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

Hand this memorandum to the Clerk.
Counsel will not rise to address the Court until motion has been called.

10:00 a.m.

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Name of Presiding Judge, Honorable JULIUS J. HOFFMAN

Cause No. 66 C 567 Date JUN 16 1966

Title of Cause University of Illinois Foundation v. Blonder-Tongue Laboratories, Inc., et al.

Brief Statement of Motion Status Call

The rules of this court require counsel to furnish the names of all parties entitled to notice of the entry of an order and the names and addresses of their attorneys. Please do this immediately below (separate lists may be appended).

Names and Addresses of moving counsel

Representing

Names and Addresses of other counsel entitled to notice and names of parties they represent.

RECEIVED
JUN 20 1966
HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

Reserve space below for notations by minute clerk

Judge Hoffman

Ct. to retain its place on the calendar

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Hand this memorandum to the Clerk.
Counsel will not rise to address the Court until motion has been called.

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

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J. R. STAPLETON
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W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

June 16, 1966

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RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

Mr. David Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation v.
Blonder-Tongue Laboratories, Inc. et al
Civil Action No. 66 C 567

Dear Mr. Rines:

This morning we appeared before Judge Hoffman in response to his status call.

The first thing that came up was a notice from the Clerk of the Court calling the attention of the Judge to the fact that there appeared to be related cases pending before Judge Lynch which might, according to our Court's rules, mean that the case should be transferred to Judge Lynch. I was able to show the Court that the cases were not so related as to warrant the transfer and the Judge decided to keep the case on his calendar.

Judge Hoffman has been on the bench for more than 25 years, about 10 years of which he was on the state court and for the last 15 or so he has been on the federal court where he has tried a great many patent cases. Before going on the bench he was general counsel for the Brunswick Corporation where he had a considerable amount of experience because Mr. Hofgren of our firm was at that time patent counsel for Brunswick. Judge Hoffman is generally considered to be one of our best patent judges.

Judge Lynch has a good reputation as a lawyer but has no judicial experience and no patent experience.

After this decision was made I asked the Court for leave to file the reply brief as his order did not refer to

a reply brief. The Court granted my request and the brief was filed. Judge Hoffman normally acts on these motions quite promptly so I would expect a decision this month.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

JRA:DB

LAW OFFICES

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June 15, 1966

Mr. David Rines
Rines and Rines
No. Ten Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation v.
Blonder-Tongue Laboratories, Inc. et al
Civil Action No. 66 C 567

Dear Mr. Rines:

Thank you for your letter of June 14th. We have read the brief and the cases cited and see nothing to modify. However, we thought it might be helpful to add a statement about the legal conclusion contained in the affidavit and therefore rewrote the last page as per copy attached.

We also rewrote page 9 of the brief because of a typographical error in the citation of the Comptograph case.

As you know we are going in tomorrow on a status call at which time I will ask leave of the court to file the brief as no reply brief was provided for in the Judge's order.

Yours very truly,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

John Rex Allen

John Rex Allen

JRA:DB
Enc.

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"In a declaratory judgment suit as to the validity and scope of a patent there is no patent accounting and the reason for the equity rule with respect to the joinder of an exclusive license does not apply".

The remaining four cases involved licenses that, no matter what were the names by which they were called, were not exclusive. In Comptograph Co. v. Universal Accountant Mach. Co., 1906, D.C. Ill., 142 Fed. 539, 545, reversed, on other grounds, 146 Fed. 981, for example, discussed on page 4 of the Plaintiff's Answering Brief, the Court said:

"It was not necessary to join the American Arithmometer Company, sole licensee under the Felt patent, as party complainant herein.... I know of no authority that requires that the owner of a patent must join his licensee as party complainant" (underscoring supplied).

A "sole license", however, is not an exclusive license, Western Electric Co., Inc. v. Pacent Reproducer Corporation, 1930, 2 Cir., 42 F.2d 116, 119, Paul E. Hawkinson Co. v. Cornell, 1940, 3 Cir., 112 F.2d 396, 398, and neither is any other type of bare "license", and these are the only two types of "license" (not "exclusive license") that are referred to in the Comptograph case.

It may be of interest that, despite the fact that the license involved in the Holliday case was not exclusive, the Court, nevertheless, on page 49,

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Finally, the statement in the affidavit (p. 2) that the licensee has no residual action for infringement or claim for damages against the accused infringer is obviously a legal conclusion made by a layman and entitled to no consideration.

It is therefore respectfully submitted that the motion to dismiss should be granted.

Respectfully submitted,

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

By_____
John Rex Allen
Attorneys for the Defendants
20 North Wacker Drive
Chicago, Illinois 60606

Of Counsel:

RINES AND RINES
DAVID RINES
ROBERT H. RINES

No. Ten Post Office Square
Boston, Massachusette 02109

RECEIPT of two copies of the foregoing Defendants' Reply Brief in Support of the Motion acknowledged this 16th day of June, 1966.

_____
Attorney for Plaintiff

c/ Mrs. Seller
6/14/66.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

THE UNIVERSITY OF ILLINOIS FOUNDATION, Plaintiff,	
v.	Civil Action No. 66 C 567
BLONDER-TONGUE LABORATORIES, INC. and ALLIED RADIO CORPORATION, Defendants.	

MOTION TO DISMISS UNDER THE
PROVISIONS OF RULE 12(b)

and/or

MOTION FOR SUMMARY JUDGMENT
UNDER THE PROVISIONS OF RULE 56

DEFENDANTS' REPLY BRIEF IN SUPPORT OF THE MOTION

The Plaintiff's Answering Brief does not dispute the facts stated on page 2 of the defendants' prior brief, but argues that those facts do not require that the plaintiff's exclusive licensee be joined as co-plaintiff; and this notwithstanding that the exclusive license is in the precise field that the defendants are charged with invading, and further notwithstanding that the exclusive licensee is paying royalties to the plaintiff, wherefore the plaintiff and the exclusive licensee are both financially interested in the outcome of this suit. The plaintiff has not explained, however, how, in the absence of joining the exclusive licensee as co-plaintiff, the defendants will be

safeguarded against a further suit by the exclusive licensee, after (or even before) the termination of the present suit.

IF THIS COURT SHOULD CONSENT TO CONSIDER THE PLAINTIFF'S NEWLY INTRODUCED AFFIDAVIT, IT SHOULD AFFORD THE PLAINTIFF AN OPPORTUNITY TO TAKE DEPOSITIONS AND TO CROSS-EXAMINE, PREPARATORY TO A SEPARATE TRIAL UNDER THE PROVISIONS OF RULE 42(b).

The legal arguments of the plaintiff will be discussed presently. It is desired first, however, to make note of the fact that the plaintiff is expecting this Court to accept, as facts, the matters newly introduced by the affidavit accompanying the plaintiff's said Answering Brief.

If this Court should rule that it is proper to consider those newly introduced facts, then the defendants would request that they be afforded an opportunity first to cross-examine and to take depositions. The defendants are not content to be deprived of their right to inspect the complete License Agreement, excerpts only of which accompany the said Plaintiff's Answering Brief, and they are likewise not content to accept the plaintiff's allegation that the remainder of the said License Agreement is "confidential".

The defendants' motion can, however, be decided as a pure question of law, upon the basis merely of the said facts stated on page 2 of the defendants' prior brief, which facts, as before stated, the plaintiff does not dispute. No additional facts are necessary in order to decide that pure question of law.

THE PLAINTIFF'S LEGAL ARGUMENTS

The plaintiff's arguments are:

First (page 1): "We only would emphasize the fact that JFD's license does not include all of the rights available under the patent, but is limited to certain fields only",

though without disputing the fact that the defendants are being charged with infringing in those very "certain fields only", and

Secondly (page 2), therefore, "JFD does not have the status of an assignee under any of the categories set out in the Waterman case, since JFD is neither (1) the holder of the exclusive right to make, use and sell the whole invention throughout the United States; nor (2) the holder of an undivided part or share of the exclusive right under the whole patent; nor (3) the holder of the exclusive right under the whole patent within a specified part of the United States" (underscoring the plaintiff's).

This second argument is not, however, in accord with the Waterman opinion. Though the quotation from that opinion on page 3 of the defendants' prior brief, does speak of "the whole patent" in connection with the first category,

"the exclusive right to make, use and vend the invention throughout the United States",

it omits the words "the whole patent" in connection with the second category,

"2nd, an undivided part or share of that exclusive right",

and also in connection with the third category,

"3rd, the exclusive right under the patent within and throughout a specified part of the United States".

These "2nd" and "3rd" categories decidedly do not involve "the whole patent" (underscoring the plaintiff's). In the "2nd" category, only "an undivided part or share of that exclusive right" of the whole patent is involved; and, in the "3rd" category, that part only of "the whole patent" is involved that is "within and throughout a specified part of the United States".

The plaintiff says further (at the top of page 3):

"Furthermore, nowhere in the Waterman case does the Court indicate that the owner of the exclusive rights within a specified field only, as opposed to a specified territory, is to be considered an assignee".

According to the plaintiff, therefore, the "2nd" and "3rd" categories are identical.

The Plaintiff's Answering Brief then says (page 3):

> "None of the cases cited in Blonder-Tongue's brief clearly holds that, in a situation such as the present one, an exclusive licensee in a limited field is an indispensable (rather than a necessary) party to the litigation" (underscoring supplied).

Apparently, then, the plaintiff admits that the cases cited by the defendant's prior brief do so "hold"; the only objection is that they do not "clearly" so hold.

To pursue this matter further, therefore, would apparently reduce this discussion to a semantic consideration as to what the plaintiff may mean by the adjective "clearly".

THE CASES DISCUSSED BY THE PLAINTIFF

In Benger Laboratories Limited v. R.K. Laros Company, Inc., 1959, D.C.E.D. Pa., 24 F.R.D. 450, the defendant Laros moved to dismiss the suit for failure of the plaintiff to join as co-plaintiff an exclusive licensee, Armour and Company, in a limited (the veterinary) field. (The motion included also another allegedly exclusive licensee, Lakeside Laboratories, Inc., in a different (the human) field, as to which something will be said later.) The motion to dismiss, however, was not, as in the present instance, filed promptly, but, on the contary, after the suit had been pending for a considerable time, during which depositions had been taken in various parts of the country, and the case was almost ready for trial. The Court pointed out that the purpose of the

motion was to protect, not the interests of the exclusive licensee, but, rather the interests of the moving-party defendant, and (page 452)

> "F.R.C.P. Rule 12(b) cannot be interpreted to mean that a party with the necessary information to make a motion for joinder of an indispensable party at his disposal can sit back and raise it at any point in the proceedings, when the only effect of the motion under the circumstances would be to protect himself and not the person alleged to be indispensable."

The Court followed Parker Rust-Proof Co. v. Western Union Telegraph Co., 1939, 2 Cir., 105 F.2d 976, which presented a case where an exclusive licensee in a limited field should, under ordinary circumstances, have been joined, "as an indispensable party", but where it was held that, under the circumstances of that particular case, he should not be joined, because of estoppel arising out of inequitable conduct.

Returning to the Benger Laboratories case, the Court distinctly stated that it would have granted the motion of the defendant Laros if, by so doing, it could have done equity, pages 453-454:

> "Recognising the desirability of avoiding a multiplicity of suits based upon the same patent and infringement claims and reaching this decision solely

because of the counteracting factor of an unnecessary delay of a final determination of the matter, due to a lack of diligence on the part of the defendant in presenting its motion, I feel the motion should be granted to the extent that it is possible to insure that it will not cause any further delay in the proceedings.

Armour has been granted the right to make, use and sell the product in question in the veterinary field by Benger. The present position of the record indicates that defendant's allegedly infringing activity is in this field."

This is precisely the situation in the present case also. It was at that point that the Court made the statement, referred to on page 3 of the Plaintiff's Answering Brief, relating to whether the question involving an exclusive license in a limited field is "extremely close". As the plaintiff correctly states, the Court did not decide the question. The Court added, however, page 454:

"Without deciding that question, it is apparent that its interests under the patent are involved in the area concerned in this dispute to such an extent that it would be desirable to have it joined as a party."

The Court stated further, moreover, that it would grant the motion, provided that the defendant would enter into a stipulation of a nature such that further proceedings would not be delayed.

In the present case, since the defendants acted promptly, and did nothing that could be considered to be inequitable, no such stipulation is necessary, and the defendants' motion should be granted without requiring any such stipulation.

It may be of interest that the exclusive licensee, Armour and Company, was actually joined as "an exclusive licensee of Benger in the veterinary field in this country", Benger Laboratories Limited v. R.K. Laros Company and Cutter Laboratories v. Armour and Company, 1962, D.C.E.D. Pa., 209 F. Supp. 639, 640-641, 648, aff. 317 F.2d 455, 456, cert. denied, 375 U.S. 833.

As for Holliday v. Long Manufacturing Company, 1955, D.C.N.C., 18 F.R.D. 45, 46, quoted from on page 4 of the Plaintiff's Answering Brief, the license involved in that case was not exclusive. It was of the type of license that was granted to Lakeside Laboratories, Inc. in the Benger case, before discussed, and which the Court distinctly held, page 454, was not an exclusive license.

On page 48 of the Holliday decision, the Court said that there is a conflict of authority relating to whether an exclusive licensee is an indispensable party in an infringement suit. The Court cited five cases to support this statement as to alleged conflict. One of these five cases, Bakelite Corporation v. Lubri-Zol Development Corporation, 1940, D.C. Del. 34 F. Supp. 142,144, is discussed on page 5 of the defendant's prior brief. The Court held:

"In a declaratory judgment suit as to the validity and scope of a patent there is no patent accounting and the reason for the equity rule with respect to the joinder of an exclusive license does not apply".

The remaining four cases involved licenses that, no matter what were the names by which they were called, were not exclusive. In Comptograph Co. v. Universal Accountant Mach. Co., 1906, D.C. Ill., 142 F.2d 539, 545, reversed, on other grounds, 146 F.981, for example, discussed on page 4 of the Plaintiff's Answering Brief, the Court said,

"It was not necessary to join the American Arithmometer Company, sole licensee under the Felt patent, as party complainant herein.... I know of no authority that requires that the owner of a patent must join his licensee as party complainant (underscoring supplied).

A "sole license", however, is not an exclusive license, Western Electric Co., Inc. v. Pacent Reproducer Corporation, 1930, 2 Cir., 42 F.2d, 116, 119, Paul E Hawkinson Co. v. Cornell, 1940, 3 Cir., 112 F.2d, 396, 398, and neither is any other type of bare "license", and these are the only two types of "license" (not "exclusive license") that are referred to in the Comptograph case.

It may be of interest that, despite the fact that the license involved in the Holliday case was not exclusive, the Court, nevertheless, on page 49,

"ordered that the Clerk issue summons to Harrington Manufacturing Company to appear as a party and assert such claims as it may have in the subject matter of the action."

THE ADDITIONAL ALLEGED FACTS NEWLY ATTEMPTED TO BE INTRODUCED BY THE PLAINTIFF'S AFFIDAVIT

The above has been stated without any consideration of the alleged facts newly attempted to be introduced by the plaintiff's affidavit. In the event that the Court should be inclined to consider these additional facts, however, perhaps it would be safer for the defendant to offer the following comments:

At the top of page 5, the Plaintiff says:

"In the present case, the reason given in the Holliday case for not considering an exclusive licensee to be an indispensable party (i.e., that he is, in fact, bound by a decision involving the licensor) is strengthened by the specific terms of the license granted to J.F.D."

Those specific terms are (paragraph 2, page 4-5):

"2, Licensor hereby grants .... an exclusive non-transferable right and license only in the field ... to make, use or sell.....".

These are the specific terms that are prescribed in the Waterman case as converting the license into an assignment. They are the specific terms involved in every exclusive license. See, for

example, P.R. Mallory & Co., Inc. v. Automotive Mfgrs'. Outlet, 1930, D.C.S.D. N.Y., 45 F.2d 810, at page 812, discussed on page 9 of the defendants' prior brief. They are the terms by which, in the Benger case, at page 454, the Court recognized that Armour and Company was an exclusive licensee, and that Lakeside Laboratories, Inc. was not an exclusive licensee.

On page 5, the Plaintiff's Answering Brief concludes with the statement that, by reason of the alleged facts newly introduced into this case by the plaintiff's affidavit,

> "J.F.D. would be bound by any decision rendered herein."

In the first place, attention may be invited to the quotation, at the bottom of page 5 and the top of page 6 of the defendants' prior brief, from Bakelite Corporation v. Lubri-Zol Development Corporation, 1940, D.C. Del., 34 F Supp. 142, 144. Attention may be invited also to the quotation, at the bottom of page 9 of the defendants' prior brief, from P.R. Mallory & Co., Inc. v. Automotive Mfrs.' Outlet, Inc., 1930, D.C. S.D. N.Y., 45 F.2d 810, 813. There are many cases holding that the rights of patent owners and exclusive licensees are not identical. The exclusive licensees must be made parties in order that their rights, as against defendants, may be adjudicated in the same litigation.

In the second place, the exclusive licensee should be joined, in order to make certain

> "that J.F.D. would be bound by any decision rendered herein,"

and not leave it to future speculation as to the degree, if at all, that J.F.D. would be so bound.

It is therefore respectfully submitted that the motion to dismiss should be granted.

Respectfully submitted,

HOFGREN, WEGNER, ALLEN,
STALLMAN & MC CORD

John Rex Allen, Esq.
Attorneys for the defendants
20 North Wacker Drive
Chicago, Illinois 60606

Of Counsel:

RINES AND RINES
DAVID RINES
ROBERT H. RINES

No. Ten Post Office Square
Boston, Massachusetts 02109

LAW OFFICES

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

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DILLIS V. ALLEN
W. A. VAN SANTEN, JR.
JOHN R. HOFFMAN

June 10, 1966

Mr. Robert Rines
Rines & Rines
No. 10 Post Office Square
Boston, Mass. 02109

Re: University of Illinois Foundation
Vs: Blonder-Tongue Laboratories, Inc.
and
Allied Radio Corporation.

Dear Mr. Rines:

Attached please find copy of Plaintiff's Answering Brief in the above case, which was served upon us so late today that I did not have a chance to check the decisions cited.

Very truly yours,

HOFGREN, WEGNER, ALLEN, STELLMAN & MC CORD

John Rex Allen

JRA:elh

Encl.

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JUN 12 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

LICENSE AGREEMENT

THIS LICENSE AGREEMENT entered into this 1st day of December, 1965, by and between the UNIVERSITY OF ILLINOIS FOUNDATION, a non-profit corporation organized and existing under and by virtue of the laws of the State of Illinois, hereinafter referred to as "LICENSOR," and JFD ELECTRONICS CORPORATION, a corporation organized and existing under and by virtue of the laws of the State of New York, hereinafter referred to as "LICENSEE."

WITNESSETH:

WHEREAS, LICENSOR is the owner of the entire right, title and interest in and to Letters Patent of the United States as follows:

Inventor(s)	Patent No.	Issued	Title

EXHIBIT "A"

Inventor(s)	Patent No.	Issued	Title
Isbell	3,210,767	10-5-65	Frequency Independent Unidirectional Antennas

as well as applications for United States Letters Patent as follows:

Inventor(s)	Serial No.	Filed	Title

PENDING PATENT APPLICATIONS

as well as the inventions set forth and described in and by each of the aforesaid Letters Patent of the United States and applications for Letters Patent of the United States; and

WHEREAS, LICENSOR also is the owner of the entire right title and interest in and to Letters Patent of countries other than the United States as follows:

2. LICENSOR hereby grants and agrees to grant to LICENSEE an exclusive non-transferable right and license only in the field of receiving antennas for television and FM broadcasting stations

and antennas for amateur and citizens band transmission and reception in the United States and in all countries other than the United States to make, use or sell or have made for its use or sale any invention described in any of the aforementioned Letters Patent as well as the aforesaid applications for Letters Patent and any invention, acquired by LICENSOR, prior to or during the term or extended term of this agreement which invention shall be subsidiary, auxiliary, useful or necessary to practice or use the inventions herein licensed or which shall be an improvement thereof and any continuation, division, utility model, design or continuation-in-part application relating to said licensed patents or applications and to any reissues of any licensed patents. The components so manufactured, used or sold are herein referred to as "LICENSED ARTICLES".

a. LICENSEE is also granted an option to acquire a non-exclusive license under the licensed patents and inventions for all fields other than the field of the exclusive license granted herein at the same royalty rates but subject to equal treatment with the most favored LICENSEE.

14. In the event that LICENSEE shall call the attention of LICENSOR in writing to an infringing device made and sold by a competitor of LICENSEE and shall demand that an action for infringement be brought by LICENSOR with respect thereto and in the event that LICENSOR shall fail to institute such action within thirty (30) days after sending of such notice, then LICENSEE shall have the right at its own expense to institute and prosecute an action with respect to such infringement and may apply one-half (1/2) of royalties to the expense of the same, and payment shall be reduced accordingly.

From any such recovery, LICENSEE may further reimburse itself for its expenses; if any funds are then left, then from such funds in said recovery, LICENSEE shall pay LICENSOR the royalties previously withheld with respect to or on account of such action; if thereafter, any funds remain from such recovery, that shall be divided evenly between LICENSOR and LICENSEE.

This right of LICENSEE to send notice and demand for action and to bring action for infringement shall not be limited to a single action for infringement but shall extend to such actions against such parties as LICENSEE deems necessary, not in excess of ** at any one time, provided that at no one time shall such actions involve duplication of issues against the same ultimate party in interest. In the event, however, that LICENSEE shall elect to bring an action which shall increase the number of pending actions brought by LICENSEE

** CONFIDENTIAL BUSINESS INFORMATION DELETED

above the said number, it may do so; but in such latter event, it may withhold only such part of the royalty as will leave the LICENSOR ** of the entire royalty due LICENSOR in any one year, after deduction of LICENSEE'S and LICENSOR'S expenditures and commitments for expenditures for litigation; it being understood, however, that LICENSOR'S such expenditures and commitments for expenditures will not for this purpose exceed ** of the royalties due in any one year.

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Name of Presiding Judge, Honorable Julius J. Hoffman

Cause No. 66 C 567 Date 5/25/66

Title of Cause The University of Illinois Foundation v. Blonder-Tongue Laboratories, Inc. and Allied Radio Corporation

Brief Statement of Motion Motion to Dismiss Under the Provisions of Rule 12(b) and/or Motion for Summary Judgment under the Provisions of Rule 56

Notice Motion & Affidavit

The rules of this court require counsel to furnish the names of all parties entitled to notice of the entry of an order and the names and addresses of their attorneys. Please do this immediately below (separate lists may be appended).

Names and Addresses of moving counsel Hofgren, Wegner, Allen, Stellman & McCord
20 North Wacker Drive, Chicago, Illinois

Representing Defendants

RECEIVED MAY 27 1966 HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

Names and Addresses of other counsel entitled to notice and names of parties they represent. Merriam, Marshall, Shapiro & Klose
30 West Monroe Street, Chicago, Illinois
Plaintiff

Let to file instant Motion to dismiss under the provisions of Rule 12(b) and/or Motion for summary judgment under provisions of Rule 56. Defts. gr. 5 days to file memoranda — Reserve space below for notations by minute clerk
dum in support of motions. Pltff. gr. 10 days thereafter to file reply memorandum. Motions taken under advisement

Judge J. Hoffman

Entered

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MAY 31 1966
RINES AND RINES
NO. TEN POST OFFICE SQUARE, BOSTON

Hand this memorandum to the Clerk.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

THE UNIVERSITY OF ILLINOIS FOUNDATION,
Plaintiff,

v.

BLONDER-TONGUE LABORATORIES, INC.
and
ALLIED RADIO CORPORATION,
Defendants.

Civil Action
No. 66 C 567

MOTION TO DISMISS UNDER THE
PROVISIONS OF RULE 12(b)

and/or

MOTION FOR SUMMARY JUDGMENT
UNDER THE PROVISIONS OF RULE 56

DEFENDANTS' BRIEF IN SUPPORT OF THE MOTION

This is a motion, under Rule 12(b)(7) of the Federal Rules of Civil Procedure, to dismiss an action for patent infringement. The ground for the motion is that the plaintiff, The University of Illinois Foundation, has failed to join, as an indispensable party to the action, an exclusive licensee under the patent involved in the suit.

Since the evidence in support of the motion is extrinsic to the complaint, and is made of record through the medium of an affidavit and an accompanying copy, Exhibit I, of a news release of the plaintiff, it may be that this proceeding

should be through the medium of a Motion for summary judgment, under the provisions of Rule 56. Hurd v. Sheffield Steel Corp., 1950, 8 Cir., 181 F.2d 269.

The motion is accordingly made in the alternative.

The Facts

The following facts appear from the affidavit and the news release, Exhibit I:

First, the patent involved in this action is one of the plaintiff's Log Periodic Antenna patents;

Secondly, the JFD Electronics Corporation of Brooklyn, New York, has an exclusive license under this patent in the field of receiving antennas for television and FM broadcasting stations;

Thirdly, the activities of the defendants complained of in this action are in this very field in which the JFD Electronics Corporation is the exclusive licensee; and

Fourthly, the royalties payable under the exclusive license constitute "one of the most important income sources" for the plaintiff, wherefore an invasion of the said field by the defendants will affect the financial returns of both the plaintiff and the exclusive licensee.

Summary of the Law

It has long been established that, though a plaintiff may sue for infringement of a patent without joining his bare licensees as co-plaintiffs, the rule is different with

respect to exclusive licensees. An exclusive licensee is an assignee, and all assignees are required to be joined in any suit for infringement, Hurd v. Sheffield Steel Corp., supra. The reason for this is in order that the rights of all parties having an interest in the outcome of the action for patent infringement shall be adjudicated at one and the same time, thereby to prevent harassing the defendant later with an additional further action for infringement by another part owner of the patent whose rights were not adjudicated in the previous action.

Stated in legal terminology, an exclusive licensee is an indispensable party, without whom the action cannot proceed.

Exclusive Licensees Are Assignees

In the leading case, Waterman v. MacKenzie, 1891, 138 U.S. 252, 255, the Supreme Court distinguished between three kinds or classes or cases of assignment of a patent, on the one hand, and bare licenses on the other:

> "The patentee or his assigns may, by instrument in writing, assign, grant and convey, either, 1st, the whole patent, comprising the exclusive right to make, use and vend the invention throughout the United States; or, 2nd, an undivided part or share of that exclusive right; or 3rd, the exclusive right under the patent within and throughout a specified part of the United States".

A holder of any of these three rights, the Court continued, as distinguished from a bare licensee, is an assignee, vested with

"a title in so much of the patent itself, with a right to sue infringers; in the second case, jointly with the assignor; in the first and third cases, in the name of the assignee alone."

This last quotation is to the effect that the assignee holding any of the three kinds or cases of assignment, even though termed, in the instrument, an "exclusive licensee", is nevertheless the true party in interest, and, therefore, the party entitled to sue for infringement. Indeed, he is the only party so entitled to sue, in the case of the first and third kinds or classes of assignment. In the case of the second kind or class, he is required to sue "jointly with the assignor". This, of course, is because he does not have complete title to the patent. He has title to only "an undivided part or share of that exclusive right." The exclusive assignor or owner of the remaining "part or share" must therefore join in the suit, and this, as before explained, is in order that the defendant may not be compelled to become subjected to a later suit for infringement of such remaining part of the patent.

Several Additional Authorities Holding That The Exclusive Licensee Is an Indispensable Party

In Independent Wireless Telegraph Company v. Radio Corporation of America, 1926, 269 U.S. 459, 474-475, the Supreme Court found a way to solve the problem of how to force an unwilling exclusive licensor, who is out of the jurisdiction, to become a

co-party to an infringement suit by an exclusive licensee. The present situation is the converse of the situation presented in that case: the defendants complain here that the exclusive licensee is unwilling to join with the exclusive licensor as co-plaintiff in the present suit. The Supreme Court gave two reasons for its decision in that case, and those reasons are equally applicable here. One of them, pages 466-467, was that the then patent laws, R.S. Section 4921, required the owner of the patent in suit to be the plaintiff. The corresponding present statute is 35 U.S.C. 261 and 100(d). The other reason, however, which is of particular interest in the present case, was, page 466, that,

> "in most cases to enable the alleged infringer to respond in one action to all claims of infringement for his act and thus either to defeat all claims in the one action, or by satisfying one adverse decree to bar all subsequent actions."

This second reason was discussed also in Bakelite Corporation v. Lubri-Zol Development Corporation, 1940, D.C. Del., 34 F.Supp. 142, 144. In that case, it was held that, in a declaratory-judgment suit, it was sufficient to sue the patent owner alone, without joining the exclusive licensee, as a co-defendant. In the course of its reasoning, however, the Court explained why such joinder is essential in the case of an infringement suit:

> "If a patent should be sustained in an equity suit for infringement the measure of damages in the accounting would be one measure for the patent owner and a different

> measure for the exclusive licensee. The rules of equity do not allow the patent owner to recover the damages sustained by the exclusive licensee. Thus the exclusive licensee must be joined to recover his own damages and to prevent a second suit therefor."

If, however, in a declaratory-judgment action, the patentee has parted with his interest by an exclusive assignment, he is no longer an "indispensable party", and the exclusive licensee is then the "indispensable party". American Type Founders, Inc. v. Dexter Folder Co., 1943, D.C.S.D.N.Y. 53 F. Supp. 602, 604.

Radio Corporation of America v. Emerson, 1924, 2 Cir., 296 F. 51, 55, was a suit by the Radio Corporation, an exclusive licensee in restricted fields, without joining, as co-plaintiff, the exclusive licensor, the American Telephone and Telegraph Company. The Court held that, if it had been the reverse case of the owner or exclusive licensor of the patent suing, without joining the Radio Corporation, as exclusive licensee,

> "In suits for infringement for invasion of the fields covered by these licenses, the appellants could, in equity, properly plead the absence of the Radio Corporation, as a party."

The Court continued, after citing authorities:

> "In a suit in equity, the general rule is that all the persons interested should be made parties in order to dispose of all the claims and end the litigation. Any party who will be directly affected by the decree is a necessary or indispensable party, and where a

> party may be directly affected by the decree, a court of equity will not proceed without him, if he is within the jurisdiction of the court."

In Brogdex Co. v. Food Machinery Corporation, 1936 D.C. Del., 16 F. Supp. 228, the defendant filed a motion to dismiss upon the ground that the suit had been filed by the patent owner without joining the exclusive licensee. It appeared that the defendant was likewise a licensee, though a bare or non-exclusive licensee (apparently a sub-licensee) and it appeared further that the suit against the defendant might have been either for patent infringement or for violation of the terms of the defendant's non-exclusive license. The complaint, it appeared, was based upon both grounds, praying for both an injunction and for violation of the terms of the non-exclusive-license contract.

The District Court held, page 230, that, irrespective of which of these two grounds of suit was involved, the exclusive licensee, as such exclusive licensee, was an indispensable party, and accordingly dismissed the suit.

On appeal, 1937, 3 Cir., 92 F.2d 787, 789, the Court of Appeals held that it did make a difference whether this was a suit for violation of the exclusive-license contract or a suit for infringement; and that, in the latter event in a suit for patent infringement,

"Upon the question of the validity or extent of patent rights, the absent party here might well be an indispensable party."

In Paper Container Mfg. Co. v. Dixie Cup Co., 1947, D.C. Del., 74 F. Supp. 389, 396, an applicant for patent assigned his application to the Reconstruction Finance Corporation. (It was apparently really a mortgage.) The applicant filed suit under the provisions of R.S. 4915 without joining the Reconstruction Finance Corporation as a party. The District Court held that the Reconstruction Finance Corporation was an indispensable party, refused leave to amend the complaint so as to permit joining the Reconstruction Finance Corporation as a party, and dismissed the suit.

The Court of Appeals, 1948, 3 Cir., 170 F.2d, 333, 337, certiorari denied, 336 U.S. 909, agreed with the District Court on everything, excepting only that the amendment to the complaint should not have been refused. The Court of Appeals held, indeed, that the applicant and the Reconstruction Finance Corporation were both indispensable parties.

To similar effect: Radio Corporation of America v. International Standard Electric Corporation, 1956, 3 Cir., 232 F.2d 726, 728-729.

Another case under R.S. 4915 is Nachod v. United States Signal Co., Inc. v. Automatic Signal Corporation, 1939, 2 Cir., 105 F.2d 981, 982.

In E.W. Bliss Company v. Cold Metal Process Company, 1959, D.C. Ohio, 174 F.Supp. 99, 130-131, it was argued that a counterclaim should be dismissed because the counter-claimant had not joined an exclusive licensee. The Court apparently agreed, page 132, that the argument would have been meritorious if the facts had established an exclusive license.

Authorities Holding That the Same Rule Applies in Connection with Exclusive Licenses of the Second Class Discussed in the Waterman Opinion

The situation would have been different, of course, if the activities of the defendants had been in a field other than the field in which the JFD corporation is the exclusive licensee.

In P.R. Mallory & Co., Inc. v. Automotive Mfrs'. Outlet, Inc., 1930, D.C.S.D.N.Y., 45 F.2d 810, 813, for example, suit was brought for infringement, without joining exclusive licensees as parties plaintiffs. The exclusive licensees, however, were licensed in various fields foreign to the field of use by the defendant. Reviewing a large number of authorities, the Court held that, under these circumstances, no such joinder was necessary:

> "While there are a number of cases holding that an exclusive licensee must be included as a party plaintiff, it was undoubtedly upon the theory that an exclusive licensee had exclusive equitable rights in the matter or field involved which the equity court sought to protect."

where this is not the case, on the other hand,

> "Such licensee is not affected and no good purpose would be served by forcing it to become a party plaintiff."

In Fauber v. United States, 1941, Ct.Cl., 37 F.Supp. 415, 435, as another example, the owner of a patent sued without joining a licensee whose license, though exclusive, was in a limited field only, different from the field involved in the charge of infringement. The Court of Claims held that, so far as that particular suit, relating to a different field, was concerned, the licensee was not even a necessary, let alone an indispensable, party.

Even "Necessary", As Distinguished From "Indispensable" Parties Should, Wherever Possible, Be Jointed In A Suit For Infringement.

Though "necessary" parties "are not indispensable", Rule 19(b), F.R.C.P., they nevertheless ought to be joined as parties, wherever possible, in order to effect complete justice, Dental Precision Shoulder, Inc. v. L. D. Caulk Co., Inc., 1947 D.C.E.D.N.Y., 7 F.R.D. 203.

Conclusion

It has been established, therefore, that:

First, a patentee may not sue for infringement of the patent without joining his exclusive licensee as a party plaintiff; and

Secondly, this applies, not only in situations where the exclusive license covers all fields embraced by the patent,

but also situations where it covers a particular field only, which particular field, however, is the same as the field in which the defendant is charged with engaging in the alleged infringing activities.

It is therefore respectfully submitted that the motion to dismiss should be granted.

Respectfully submitted,

HOFGREN, WEGNER, ALLEN, STELLMAN & MC CORD

John Rex Allen, Esq.
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of Counsel:

RINES AND RINES
DAVID RINES
ROBERT H. RINES

ORIGINAL SIGNED
BY ROBERT H. RINES

No. Ten Post Office Square
Boston, Massachusetts
02109

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

THE UNIVERSITY OF ILLINOIS FOUNDATION, Plaintiff, v. BLONDER-TONGUE LABORATORIES, INC. and ALLIED RADIO CORPORATION, Defendants.	CIVIL ACTION NO. 66 C 567

NOTICE OF MOTION

TO: Merriam, Marshall, Shapiro & Klose
30 West Monroe Street
Chicago, Illinois

Gentlemen:

Please take notice that on Wednesday, May 25, 1966, at 2 P.M. Central Daylight Saving Time, or as soon thereafter as counsel may be heard, we shall appear before the Honorable Julius J. Hoffman, in the room occupied by him as a courtroom in the Federal Building, Chicago, Illinois and then and there present the attached motion to dismiss the above case for failure to join an indispensable party as a plaintiff in the action.

The motion will be filed under the provisions of Rules 12 and 13 of the general rules of the above Court.

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

By /s/ John Rex Allen
Attorneys for Defendants

RECEIPT of two copies of the above Notice and of the Motion and Affidavit to which it relates acknowledged this 25th day of May, 1966.

/s/ William A. Marshall
Attorney for Plaintiff

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

THE UNIVERSITY OF ILLINOIS FOUNDATION, Plaintiff, v. BLONDER-TONGUE LABORATORIES, INC. and ALLIED RADIO CORPORATION, Defendants.	CIVIL ACTION NO. 66 C 567

MOTION TO DISMISS UNDER THE
PROVISIONS OF RULE 12(b)

and/or

MOTION FOR SUMMARY JUDGMENT
UNDER THE PROVISIONS OF RULE 56

Now come the defendants in the above-entitled cause and, by their attorneys, move to dismiss the complaint under the provisions of Rules 12(b) (and/or Rule 56) of the Federal Rules of Civil Procedure upon the ground that the plaintiff has failed to join an indispensable party as a plaintiff in this action; namely, as appears from the accompanying affidavit, the exclusive licensee of the patent in suit.

It is submitted, therefore, that this action should be dismissed forthwith.

A brief in support of the above motion will be filed in accordance with Rule 13 of this Court.

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD

By /s/ John Rex Allen
John Rex Allen
Attorneys for the Defendants
20 North Wacker Drive
Chicago, Illinois 60606

May 25, 1966

OF COUNSEL:

RINES AND RINES
DAVID RINES
ROBERT H. RINES

/s/ Robert H. Rines (per JRA)
10 Post Office Square
Boston Massachusetts 02109

Dad:

Would you check the law for me on the following:

"A is assignee of a patent & grants an exclusive license to B.

Credited & infringes.

A sues C, but B is not joined as a party.

Is B, the exclusive licensee, a necessary party.

If so, Any cases in Illinois on that issue?"

MAY A PATENTEE SUE FOR INFRINGEMENT WITHOUT JOINING AN EXCLUSIVE LICENSEE?

We are presented with the following problem:

"A is assignee of a patent and grants an exclusive license to B.

C is alleged to infringe.

A sues C, but B is not joined as a party.

Is B, the exclusive licensee a necessary party.

If so, any cases in Illinois or that circuit?"

We have also the following additional information:

First, The "exclusive license to B" is for a particular field only;

Secondly, C is charged with infringement in that precise particular field; and

Thirdly, the exclusive licensee is required to pay royalties, wherefore an invasion of the field by the infringer C will affect the financial returns of both A and B.

6 PROPER, NECESSARY AND INDISPENSABLE PARTIES

There is also a subsidiary question relating to the word "necessary", in the expression "necessary party". The word "necessary" should probably have been "indispensable". In this connection, reference may be made to Barney v. Baltimore City, 1867. 6 Wall 280, 284:

> There is a class of persons having such relations to the matter in controversy, merely formal or otherwise, that while they may be called proper parties, the court will take no account of the omission to make them parties. There is another class of persons whose relations to the suit are such that, if their interest and their absence are formally brought to the attention of the court, it will require them to be made parties if within the jurisdiction before deciding the case. But if this cannot be done, it will proceed to administer such relief as may be in its power, between the parties before it. And there is a third class, whose interests in the subject matter of the suit, and in the relief sought, are so bound up with that of the other parties, that their legal presence as parties to the proceeding is an absolute necessity, without which the court cannot proceed. In such cases the court refuses to entertain the suit when these parties cannot be subjected to its jurisdiction. There are cases in which, quoting from a prior decision, "a final decree cannot be made without either affecting that interest, or leaving the controversy in such a condition that its final determination may be wholly inconsistent with equity and good conscience."

The second class of persons here mentioned may be termed "proper" or "necessary" parties. The third class are in the "indispensable" class. As will appear hereinafter, the "exclusive license" is in this instance "indispensable". It is also a "proper" or "necessary" party, and the Court will order it to be made a party if it is within the jurisdiction. As merely a "proper" or "necessary" party, however, the Court could proceed to adjudicate the case without its presence.

The distinction is of importance for several reasons, not the least of which is that, in the case of a "proper" or "necessary" party, Rule of the Federal Rules of Civil Procedure requires that an answer be filed

to the complaint; but that, in the case of an "indispensable" party, it is sufficient to file merely a motion to dismiss:

> Rule 12, F.R.C.P. Defenses etc.
>
> (b) How Presented. Every defense . . . shall be asserted in the responsive pleading thereto if one is required, except that the following defenses may at the option of the pleader be made by motion: . . . (7) failure to join an indispensable party.

TRUE EXCLUSIVE LICENSEES ARE ASSIGNEES.

In Waterman v. McKenzie, 1891, 138 U.S. 252, 255, the Supreme Court distinguished between three kinds of assignment of a patent, on the one hand, and bare licenses on the other. Every instrument that does not fall within one of the three kinds of assignment, ~~the court added,~~ is but a mere license. The three kinds of assignment are as follows:

> "The patentee or his assignees may, by instrument in writing, assign, grant and convey, either, 1st, the whole patent, comprising the exclusive right to make, use and vend the invention throughout the United States; or, 2nd, an undivided part or share of that exclusive right; or, 3rd, the exclusive right under the patent within and throughout a specified part of the United States."

A holder of any of these three rights, the Court continued, is an assignee, vested with

> "a title in so much of the patent itself, with a right to sue infringers; in the second case, jointly with the assignor; in the first and third cases, in the name of the assignee alone."

This last quotation is to the effect that the assignee, even though termed an "exclusive licensee", is the true party in interest, and, therefore, the party to sue for infringement. He is the only party so entitled

to sue, in the case of the first and third classes. In the case of the second class, he is required to sue "jointly with the assignee", because he does not have complete title to the patent. He has title to only "an undevided part or share of that exclusive right." The owner of the remaining "part or share", must therefore join in the suit, in order that the defendant may not be compelled to become subjected to a later suit for infringement of such remaining part of the patent.

This was explained in Independent Wireless Telegraph Company v. Radio Corporation of America, 1926, 269 U. S. 459, 462. The Supreme Court found a way to solve the problem, pages 474-475 of how to force an unwilling licensor, who is out of the jurisdiction, to become a party to an infringement suit by an exclusive licensor. Though we are not concerned with that solution here, there is reasoning in the opinion, for example, page 466, that may be of interest to us also. The Supreme Court gave two reasons for its decision. One of them, pages 466-467, was that the then patent laws, R.S. Section 4921, required the owner of the patent in suit to be the plaintiff. The corresponding present statute is 35 U.S.C. 281 and 100 (d). The other reason, however, which is of interest here, was, page 468, that,

> "in most cases to enable the alleged infringer to respond in one action to all claims of infringement for his act and thus either to defeat all claims in the one action, or by satisfying one adverse decree to bar all subsequent actions."

This second reason is as applicable in cases where the exclusive licensee sues alone as where the patent owner sues alone. In both situations, the defendant should not be compelled to become subjected to a second suit, whether by the exclusive licensee or the patent owner, after having become already once subjected to a first suit by the patent owner or exclusive licensee, respectively.

This second reason was discussed also in Bakelite Corporation v. Lubri-Zol Development Corporation, 1940, D.C. Del, 34 F.Supp 142, 144. That was a declaratory-judgment suit, and the question raised was whether it was sufficient to sue the patent owner alone, or whether it was necessary to join the exclusive licensee. The answer was in the negative. The reason for this answer was as follows:

> "If a patent should be sustained in an equity suit for infringement the measure of damages in the accounting would be one measure for the patent owner and a different measure for the exclusive licensee. The rules of equity do not allow the patent owner to recover the damages sustained by the exclusive licensee. Thus the exclusive licensee must be joined to recover his own damages and to prevent a second suit therefor."

That is all that is necessary for our purposes, here. The following is of no interest for present purposes.

> "In a declaratory judgment suit as to the validity and scope of a patent there is no patent accounting and the reason for the equity rule with respect to the joinder of an exclusive license does not apply."

It is with the second class of exclusive licensees, discussed in the Waterman case, that we are here concerned. The question for decision is whether the owner of the remaining part or share of the patent may alone sue, without joining the exclusive licensee.

Under the Waterman case, he is required to sue "jointly" with the exclusive licensee. It is well known, furthermore, and, therefore, does not require research, that, if B, instead of A, had been the sole plaintiff he could have forced A to join in the suit. This, however, is the reverse situation, where C wants to know whether he can force B to join in the suit.

SEVERAL AUTHORITIES HOLDING THE EXCLUSIVE LICENSEE ~~TO BE~~ AN INDISPENSABLE PARTY.

In a very early case, Hammond v. Hunt, 4 Banning Arden 111, 11 F.C. P.391, No. 6006, 1879, C.C.Mass. p393, Judge Lowell reasoned:

> "Can an exclusive licensee maintain a bill in equity for infringement without joining the patentee? And can the patentee maintain one without joining the licensee? I answer both of these questions in the negative."

This, however, is perhaps not a good authority, because Judge Lowell continued:

> "By an exclusive licensee I mean one which does not amount to an assignment, by reason of something reserved to the patentee, as in Gaylor v. Wilder, 10 How. 51 U.S. 477, where the patentee excepted out of his grant the right to make the machines within a certain part of the territory granted; or in several cases like this at the bar, in which the patent has been divided by subjects and the grant is to make certain articles exclusively."

But Judge Lowell before the Supreme Court did, in the Waterman case. So let us examine later authorities.

~~I would like first to invite attention to a dictum~~ in Radio Corporation of America v. Emerson, 1924, 2 Cir., 296 F. 51, 55, ~~In that case,~~ the Radio Corporation ~~brought suit, as~~ an

sole plaintiff, for infringement of patents under which it was exclusive licensee in restricted fields, pleading that the American Telephone and Telegraph Company, the owner of the patents, refused to join as a plaintiff.

For our purposes, the pertinent part of the decision, is the dictum, on page 55, to the effect that, if the American Telephone and Telegraph Company had sued the defendant for infringement as owner, without joining the Radio Corporation, as exclusive licensee,

> "In suits for infringement for invasion of the fields covered by these licenses, the appellants could, in equity, properly plead the absence of the Radio Corporation, as a party."

In support of this holding, the Court cited

Burdsell v. Shaliol, 112 U.S. 485

and

v. Conklin, 145 F. 955.

These two cases, however, dealt with cases in which the licenses were not exclusive. The Court continued:

> "In a suit in equity, the general rule is that all the persons interested should be made parties in order to dispose of all the claims and end the litigation. Any party who will be directly affected by the decree is a necessary or indispensable party, and where a party may be directly affected by the decree, a court of equity will not proceed without him, if he is within the jurisdiction of the court."

In Brogdex Co. v. Food Machinery Corporation, 1936, D.C. Del., 16 F. Supp. 228, the defendant filed a motion to dismiss upon the ground that the suit had been filed by the patent owner without joining the exclusive licensee. It appeared that the defendant was likewise a

licensee, though a bare licensee (apparently a sub-licensee), and it appeared further that the suit against the defendant might have been either for patent infringement or for violation of the terms of the defendant's non-exclusive license. The complaint, it appeared, was based upon both grounds, praying for both an injunction and for violation of the terms of the license contract.

The District Court held, page 230, that, irrespective of which of these two grounds of suit was involved, the exclusive licensee, as such exclusive licensee, was an indispensable party, and accordingly dismissed the suit.

On appeal, 1937, 3 Cir., 92 F. 2d 787, 789, the Court of Appeals held that ~~though, if this had been a patent suit~~, infringement,

> "Upon the question of the validity or extent of the patent rights, the absent party here might well be an indispensable party."

this was not necessarily the case in the present suit, which was for violation of the license contract:

> "On the question of contract rights, the absent party, although a proper party, might not be an indispensable party".

The Court ruled that the exclusive licensee was not an indispensable party in this suit for violation of the license contract, and that the rights of absent parties could be saved in the decree, without making it a party.

There is language in this case, by the District Court, page 230, not overruled by the Court of Appeals, from the point of a suit for patent infringement, that is of interest in the present connection. Whether from the point of view of infringement or violation of the license contract,

"The patent in question relates only to features for printing presses and the patentee has granted to Dexter and Harris between them the exclusive right to make, use and vend feeders for printing presses throughout the United States".

The Court concluded

"that the agreement is an assignement of the entire patent to Dexter and Harris which includes the right to sue in their own names without joining Backhouse as plaintiff . . . since Backhouse has parted with title to the patent and is not an indispensable party."

In that case, the patentee had provided for royalty payments, and also received a license back to sell in Great Britain, and the Court ruled:

"The reservation of a royalty does not prevent the agreement from being an assignment . . .

The fact that Backhouse received a license to sell British feeders for British built machines, does not defeat an assignment."

The court ruled further that Backhouse, the inventor, was "not an indispensable party", but that "Harris is a proper party".

The "indispensable party", according to this decision, therefore, was, not the patent owner, but the exclusive licensee, Dexter (and also Harris" who was called a "proper party").

In Paper Container Mfg. Co. v. Dixie Cup Co., 1947, D.C. Del., 74 F. Supp. 389, 396, an applicant for patent assigned his application to the Reconstruction Finance Corporation. (It was really a mortgage.) The applicant filed suit under R. S. 4915 without joining the ~~R.F.C.~~, The District Court held that the ~~R.F.C.~~ was an indispensable party, refused leave to amend the complaint so as to join the ~~R.F.C.~~, and dismissed the suit.

The Court of Appeals, 1948, 3 Cir., 170 F. 2d 333, 337, certiorari denied, 336 U. S. 909, agreed on everything, except that the amendment to the complaint should not have been refused. The Court of Appeals held that the applicant and the ~~R. F. C.~~ were both indispensable parties.

To ~~the same~~ effect: Radio Corporation of America v. International Standard Electric Corporation, 1956, 3 Cir., 232 F. 2d 726, 728.

In E. W. Bliss Company v. Cold Metal Process Company, 1959, D.C.Ohio, 174 F. Supp. 99, 130-131, it was argued that a counterclaim should be dismissed because the counter-claimant had not joined an exclusive licensee. The Court apparently agreed, that ~~this~~ would have been ~~correct~~ if the facts had established an exclusive license, but held that there was no exclusive license, because, page 132,

> "the license must endow the licensee with rights tantamount to an assignment of the patent,"

and that, in the case before the court, the license did not confer "such a bundle of rights". The licensee was therefore "not an indispensable party to the counterclaim".

The circumstances attendant upon a case may, of course, modify the general rule. In Sales Affiliates v. Hutzler Bros. Co., 1947, D.C. Md., 71 F. Supp. 287, 290, aff. 1947, 4 Cir., 164 F.2d 260, for example, an exclusive licensee, the Schering Corporation, was denied leave to intervene in a suit for infringement upon the ground that the exclusive-license contract expressly provided that it would have no right to intervene,

> "and also because of the absence of any showing that the Schering Corporation's rights under that agreement would not be adequately presented even though it was denied the right to intervene at this point."

The decision of the Court of Appeals did not even mention the

point, though the title of the case included the parenthesis: (Schering Corporation Interventor).

As another example, reference may be made to Parker Rust-Proof Co. v. Western Union Telegraph Co., 1939, 2 Cir., 105 F. 2d 976, which presented a case where an exclusive licensee should, under the rules, have been joined, but where it was held that, in that particular case, he should not be joined, because of estoppel arising out of inequitable conduct of the opposing party.

Under slightly differing circumstances, where no estoppel or inequitable conduct was evidenced, however, the same court, at the same time, arrived at a different result, in Nachod v. United States Liquid Co., Inc. v. Automotive Signal Corporation, 1939, 2 Cir., 105 F. 2d 981, 982.

3 Walker on Patents, Deller's Edition, 1937, p. 1822, Section 541, says:

> "When an equitable owner brings a suit in equity in the name of the holder of the legal title alone, the defendant may, by means of a motion of the Court, compel the equitable owner to become a co-complainant in his own name, if that action is necessary to the protection of the rights of the defendant,

citing cases; and,

4 Walker, Sec. 1881D p. 2666, says further:

> "In equity, the exclusive license and the patentee should generally maintain the suit jointly,

citing further cases. Another test is

3 Moore, Sect. 17.11 p 1354, at p. 1358,

All the cases discussed above have involved cases of the first class discussed in the Waterman decision. We, however, as before stated, are interested in cases involving the second class.

Authorities Holding That The Same Rule Applies In Connection With Exclusive Licenses Of The Second Class Discussed In The Waterman Opinion

Two authorities that may be cited under this title are of a negative, rather than a positive, character.

In P.R. Mallory & Co., Inc. v. Automotive Mfrs. Outlet, Inc., 1930, D.C.S.D.N.Y., 45 F. 2d 810, 813, for example, suit was brought for infringement, without joining exclusive licensees. The exclusive licensees, however, were in various fields foreign to the field of use by the defendant. Reviewing a large number of authorities, the Court held that under these circumstances, no such joinder was necessary:

> "While there are a number of cases holding that an exclusive licensee must be included as a party plaintiff, it was undoubtedly upon the theory that an exclusive licensee had exclusive equitable rights in the matter or field involved. Otherwise,
>
> "such licensee is not affected and no good purpose would be served by forcing it to become a party plaintiff"

In Fauber v. United States, 1941, Ct.Cl., 37 F. Supp. 415, 435, as another example, the owner of a patent sued without joining a licensee whose license, though exclusive, was in a limited field only, different from the field involved in the suit. The Court of Claims held that, so far as that particular suit, relating to a different field, was concerned, the licensee was not even a necessary party.

Both these cases, as before stated, were of a negative character. They relate to situations where, because the matter in suit related to a field different

Cover "Necessary" As Distinguished From "Indispensable" Parties Stressed, Wherein Court Could Be Denied Jx Just For Infancy

from the fields of the exclusive licenses, it was held that it was therefore not necessary to join the exclusive licensees as parties plaintiff.

Another case, Pope Manufacturing Co. of Connecticut v. Clark, 1891, C.C.Md., 465, 789, 792, though not really pertinent, will be discussed, for what it may be worth, in the Appendix.

All further that will be considered here is that, even if a party is not "indispensable", but only "necessary", he may still be added as a party to the suit if the Court can acquire jurisdiction over him.

NECESSARY PARTIES

~~Reference may be made first to~~

Rule 19 (b), F.R.C.P., Necessary Joinder of Parties

~~(a) Necessary Joinder. Subject to the~~ provisions of Rule 23 and of subdivision (b) of this rule, persons having a joint interest shall be made parties and be joined on the same side as plaintiffs or defendants. When a person who should join as a plaintiff refuses to do so, he may be made a defendant or, in proper cases, an involuntary plaintiff.

(Note. Rule 23, relates to class actions. Subdivision (b) will be discussed presently.

The second sentence of (a) conforms to Independent Wireless Telegraph Company v. Radio Corporation of America, 1926, 269 U.S. 459)

(b) Effect of Failure to Join. When persons who are not indispensable . . .

(Note. It is our contention that the exclusive licensee is indispensable)

(Note, however, that this Rule 19 distinguishes ~~between "necessary" and "indispensable" parties. According to Rule 19 (b),~~ "necessary" parties "are not indispensable", ~~Though~~ they ought to be parties to effect complete justice,

the case may nevertheless be tried in their absence.)

(Even "necessary" parties, nevertheless, may be compelled, on motion, to be joined. Such joinders may be waived, however, by failure to file a suitable motion reasonably. See Rule 21, "Misjoinder and Non-Joinder of Parties.")

Coming, now, to the authorities, the following two will suffice.

In Dental Precision Shoulder, Inc. v. L. D. Caulk Co., Inc., 1947, D.C.E.D.N.Y. 7 F.R.D. 203, for example, a patentee, after filing suit for infringement, moved to amend the complaint by adding as an "involuntary plaintiff" the Consolidated Diamond Saw Blade Corporation, which has "certain exclusive rights in said patent." The Saw Blade Company declined voluntarily to join as coplaintiff.

The defendant opposed the motion arguing that Saw Blade was not an indispensable party.

The Court held, however, that Saw Blade was at least

> "a "necessary" party (not indispensable, but on the other hand not nominal) and it ought to be made a party if that can be done without depriving the court of jurisdiction of the parties now before it. F.R. 19(b).

The Court granted the motion to the extent of permitting amendment of the complaint in such fashion as to recite the relationship of Saw Blade to the controversy.

The Court pronounced the solution presented in this case to be the reverse of the solution in the Independent Wireless Case, 1926, 269, U.S. 459, but considered that it was

not necessary to make the reverse decision, since the same result could be obtained in another manner.

This case has never apparently been cited in any other case.

Another case is:

Daimler Mfg. Co. v. Conklin, 1906, C.C.S.D.N.Y. 145 F. 955, 556:

Referring to the objection that there is an improper joinder of parties complainant, I think the bill prima faci sufficiently answers the license to Lehman Charley to indicate the exclusive character in the territory specified. In any event, the bill alleges that Charley has an interest in the patented invention which is capable of being impaired by the asserted wrongful acts of the defendant, and, accordingly, he is thought to be a proper party complainant.

CONCLUSION

There may possibly be one link missing in the above chain, namely, that there is no authority definitely holding that an exclusive license in a particular field must be joined as party plaintiff in a suit for infringement against a party whose infringement lies in that very same field.

It has been established, however, that:

First, speaking generally, a patentee may not sue for infringement (though he may for violation of a license contract) without joining his exclusive licensee or licensees whose licensee or licensees embrace all fields of the patent; and,

Secondly, a patentee is not compelled to join as party plaintiff an exclusive licensee in a particular field in a suit for infringement in a different field.