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No. 66 C 567

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Defendant and Counterclaimant,

JFD ELECTRONICS CORPORATION.

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Counterclaim Defendant.

BRIEF IN ADVANCE OF TRIAL OF DEFENDANT AND COUNTERCLAIMANT, BLONDER-TONGUE LABORATORIES, INC. 2 N Se fort Count 4 U and C

INTRODUCTION - THE PARTIES AND ISSUES

Plaintiff, The University of Illinois Foundation (hereinafter referred to as the "Foundation"), as the owner of U. S. Letters Patent No. 3,210,767 issued October 5, 1965, to Dwight E. Isbell and Reissue Patent No. 25,740 issued March 9, 1965, to Paul E. Mayes and Robert L. Carrel (original patent 3,108,280 issued October 22, 1963), has brought suit against defendant, a New Jersey corporation, Blonder-Tongue Laboratories, Inc. (hereinafter referred to as "BT"), for alleged infringement by the acts of manufacture and sale of television home-receiving antennas.

This suit was commenced pursuant to an agreement between the Foundation and JFD Electronics Corporation (hereinafter referred to as "JFD"), under which JFD was granted the exclusive license rights under the Isbell and Mayes et al patents to manufacture and sell such antennas in certain fields including home television.

Defendant, BT, although not having a place of business or its residence within the jurisdiction of this Court, voluntarily consented to jurisdiction; and counterclaimed against the Foundation for a declaratory judgment that said patents are invalid, void, uninfringed and unenforceable.

In its counterclaim, BT joined JFD as a second counterclaim defendant and included counts for unfair competition and antitrust violations in which the Foundation was joined, and for infringement of BT's own antenna patent 3,259,904 issued July 5, 1966, to Isaac S. Blonder and Abraham Schenfeld.

It is the above issues that are before this Court for trial.

THE ISBELL AND MAYES ET AL PATENTS

As defenses to the Foundation's suit for patent infringement (and in support of BT's declaratory judgment

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count relating to the same), BT shall endeavor to demonstrate, among other reasons for invalidity, noninfringement and unenforceability, the following:

1.

2.

The subject matter of the claims of the Isbell patent No. 3,210,767 was described in a printed publication* published in April 1959, more than one year prior to the May 3, 1960, date of application for said patent in contravention of Sec. 102 of Title 35, United States Code [35 U.S.C. 102(b)].

The antennas of BT do not employ the substantially coplanar or colinear structure of antenna elements specifically provided for in the claims of each of the Isbell and Mayes et al patents but, rather, employ the spaced vertical plane arrangement for which the U. S. Patent Office granted the Blonder et al patent 3,259,904 to BT, wherefor no infringement of the Isbell and Mayes et al

infringement --patents exists. 3. Me follow that dymonant -- and an affirms with which would be cound by a pool patient Antenna Laboratory Quarterly Engineering Report No. 2, "Research Studies On Problems Related to ECM Antennas," "Research Studies On Problems Related to ECM Antennas," Flectrical Engineering Research Laboratory; University Flectrical Engineering Research Laboratory; University Flectrical Engineering Research Laboratory; University Minter Minter

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The subject matter of the claims of the Isbell and Mayes et al patents was fully anticipated by prior art and, if any differences existed therein from such prior art, they were of the type that were clearly obvious to one skilled in the art and thus the patents were issued in contravention of 35 U.S.C. 102 and 103.

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With regard further to the Mayes et al patent, the alleged inventors did not themselves invent the subject matter of the claims of this patent, but derived the same from another*, such that the patent was granted further in contravention of 35 U.S.C. 102(f) and 103.

The Mayes et al patent is further invalid for double-patenting and for having been reissued contrary to the grounds provided by statute for reissue patents, 35 U.S.C. 251.

* At least from one Edwin M. Turner of Wright Patterson Air Force Base, Dayton, Ohio. Both the Isbell and Mayes et al patents are unenforceable in view of the unclean hands of the Foundation and its exclusive licensee, JFD, not only in connection with the acts of unfair competition and antitrust violation hereinafter summarized, but further because the Mayes et al reissue patent (and the original patent therefor) was procured by the Foundation presenting to the Patent Office deceptive and misleading evidence to the effect that the earlier work of Dwight E. Isbell was not a part of the prior art; whereas it was in fact a part of the prior art and had been described in printed publications* more than one year before the Mayes et al filing date. As a result, the Patent Office dropped the earlier work of Isbell from consideration as prior art against Mayes et al, which it otherwise would not have done, and was thereby influenced to grant said original and reissue patents. Because the Foundation and the alleged inventors knew

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* Including report of footnote, page 1, and Antenna Laboratory Technical Report No. 39, "Log Periodic Dipole Arrays," Electrical Engineering Research Laboratory, Urbana, Illinois.

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the pertinent facts, or should have known them, they have come into court with unclean hands and are not entitled to enforce such patent, and the patent is invalid. <u>Hazel-Atlas Glass Co. v. Hartford-Empire</u> <u>Co., 322 U.S. 238 (1944); Precision Instrument Mnf. Co. v. Automotive Maintenance</u> <u>Machinery Co., 324 U.S. 806 (1945); Walker</u> <u>Process Equipment, Inc. v. Food Machinery</u> and Chemical Corp., 322 U.S. 172 (1965).

The defendant BT is thus entitled to judgment
(1) that the Isbell and Mayes et al patents are invalid and void;
(2) that even had they been otherwise valid, they are not enforceable against BT as a result of the unclean hands of the Foundation and JFD; and

(3) that in any event, said patents have not been infringed by BT.

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BT'S COUNTERCLAIMS

Unfair Competition (A. в. Antitrust BT Patent Infringement) (C.

At the trial of the issues of the counterclaims, BT will endeavor to prove acts of unfair competition of the Foundation and JFD (that also bear upon the unclean hands matter, supra), including acts that constitute a violation of the antitrust laws, and acts of infringement of the BT antenna patent 3,259,904, as well.

Unfair Competition Α.

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With regard to unfair competition, it will be shown that the conspiracy and actions in pursuance thereof by the Foundation and JFD unlawfully dissuaded BT's customers and potential customers from purchasing BT antennas. These actions include individual and joint circulation of false and/or misleading news releases, advertising, announcements to the trade, threats and statements with regard to litigation, the right of BT to market so-called "log-periodic" antennas, and the scope of the patents in suit - all to the irreparable injury of BT.

Further to prevent competition from BT, it will be shown that JFD deliberately hired away from BT the head and key sales manager of the BT antenna program, at a time

(after the filing of this suit against BT) when said program head was investigating, on behalf of BT, the unfair competition and antitrust activities of JFD that were impeding the sale of BT antennas in the market place.

Though the last-named act has hampered BT in its proofs, it is expected that this case will be well documented and otherwise proven.

B. Antitrust

The above mentioned acts in restraint of competition, particularly in the light of the fact that JFD is among the largest manufacturers of said antennas in the country, coupled with misuse of the Foundation's Isbell and Mayes et al patents for purposes of securing tie-in sales not covered by those patents, constitute clear violations of the antitrust laws (15 U.S.C. 1, 14, 15).

C. BT Patent Infringement

With regard to BT patent 3,259,904, it will be shown that the patent covers a highly <u>unobvious</u> improvement, <u>contrary</u> to the coplanar antenna element teachings of the Isbell and Mayes et al patents and the then-known art relating to "log-periodic" antennas - an improvement that thus constitutes highly patentable invention - which JFD chose widely to copy and incorporate into its antenna line following the appearance of the ET antennas on the market.

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WHEREFORE, it is believed that counterclaimant BT is entitled to an injunction restraining the acts of unfair competition, antitrust violation and patent infringement complained of in the counterclaim; and, in view of the wanton character of the illegal conduct of the Foundation and JFD, triple damages and attorneys' fees, as provided for by statute, together with such other and further relief as may seem proper to this Court.

HOFGREN, WEGNER, ALLEN, STELLMAN & MCCORD

April 75, 1967.

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ACKNOWLEDGMENT OF SERVICE

I hereby acknowledge receipt of two copies of the foregoing Brief In Advance of Trial of Defendant and Counterclaimant, Blonder-Tongue Laboratories, Inc.

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