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

UNIVERSITY OF ILLINOIS FOUNDATION,

Plaintiff and Counterclaim Defendant,

BLONDER-TONGUE LABORATORIES, INC.,

Defendant and Counterclaimant,

CIVIL ACTION

NO. 66 C 567

JFD ELECTRONICS CORPORATION,

Counterclaim Defendant.)

NOTICE OF MOTION

TO: Merriam, Marshall, Shapiro & Klose Attorneys for Plaintiff and Counterclaim Defendant Two First National Plaza, Suite 2100 Chicago, Illinois 60670

> Silverman & Cass Attorneys for Counterclaim Defendant 105 West Adams Street Chicago, Illinois 60603

Please take notice that on Friday, July 30, 1971, at ten o'clock or as soon thereafter as counsel may be heard, defendant, Blonder-Tongue Laboratories, Inc., by its attorney, will appear before the Honorable Julius J. Hoffman in the courtroom regularly assigned to him or whoever may be sitting in his stead, and present motions for leave to file a memorandum and for judgment.

Richard S. Phillips / Attorney for Defendant 20 North Wacker Drive Chicago, Illinois 60606

July <u>29</u>, 1971.

OF COUNSEL:

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> ROBERT H. RINES DAVID RINES RINES and RINES No. Ten Post Office Square Boston, Massachusetts 02109

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD 20 North Wacker Drive Chicago, Illinois 60606

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ACKNOWLEDGMENT OF SERVICE

I hereby acknowledge receipt of one copy of the foregoing Notice of Motion and accompanying Motions for leave to file a memorandum and for judgment and the respective memoranda this day of July, 1971.

P.M.

Attorney for Plaintiff

ACKNOWLEDGMENT OF SERVICE

I hereby acknowledge receipt of two copies of the foregoing Notice of Motion and accompanying Motions for leave to file a memorandum and for judgment and the respective memoranda this _____ day of July, 1971.

Р.М.

Attorney for Counterclaim Defendant

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CIVIL ACTION

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JFD ELECTRONICS CORPORATION,

Counterclaim Defendant.

MOTION FOR LEAVE TO FILE A MEMORANDUM ANSWERING PLAINTIFF'S REPLY TO DEFENDANT'S MEMORANDUM IN OPPOSITION TO ITS (PLAINTIFF'S) MOTION FOR JUDGMENT AFTER REMAND

Now comes defendant and moves for leave to file the attached memorandum. Plaintiff in its Reply first raised the argument that estoppel is not proper, alleging that the issue in this Court is different from that in the prior <u>Winegard</u> decision. It is respectfully requested that this Court exercise its discretion and permit the filing of a memorandum answering this new argument under General Rule 13 and Civil Rule 19, Rules of the District Court for the Northern District of Illinois.

> Richard S. Phillips Attorney for Defendant 20 North Wacker Drive Chicago, Illinois 60606

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July ____, 1971.

OF COUNSEL:

ROBERT H. RINES DAVID RINES RINES and RINES No. Ten Post Office Square Boston, Massachusetts 02109

HOFGREN, WEGNER, ALLEN, STELLMAN & McCORD 20 North Wacker Drive Chicago, Illinois 60606 IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

THE UNIVERSITY OF ILLINOIS FOUNDATION,

Plaintiff and Counterclaim Defendant,

BLONDER-TONGUE LABORATORIES, INC.,

- .v -

Defendant and Counterclaimant,

CIVIL ACTION NO. 66 C 567

JFD ELECTRONICS CORPORATION,

Counterclaim Defendant.)

DEFENDANT'S ANSWERING MEMORANDUM TO PLAINTIFF'S REPLY TO DEFENDANT'S MEMORANDUM IN OPPOSITION TO ITS (PLAINTIFF'S) MOTION FOR JUDGMENT AFTER REMAND

Plaintiff in its reply argues that the issue of validity of Isbell patent 3,210,767 decided against it in the <u>Winegard</u> suit was not identical with the issue of validity of the Isbell patent here, suggesting that the <u>Winegard</u> decision did not treat claims 6, 7 and 8.

A consideration of the facts illustrates the fallacy of this argument.

In the <u>Winegard</u> suit, the Foundation sought a finding that the Isbell patent had been infringed by Winegard, 271 F.Supp. at 413. Winegard answered alleging affirmatively that the Isbell patent was null and void and of no effect, see paragraphs 6 and 7 of the certified copy of Winegard's Answer, attached hereto.

Judge Stephenson found, not that certain claims were invalid, but that:

". . . the disclosure of Isbell's Patent No. 3,210,767 is lacking in the prerequisite nonobviousness and is, therefore, invalid." 271 F.Supp. at 419.

The breadth of this invalidity finding is clearly within the issues framed by the Answer and is not limited by the Court's earlier observation

"All of the claims except numbers 6, 7 and 8 are claimed to be infringed . . .". 271 F.Supp. at 415.

In fact, in Appendix A to the decision where the claims of Isbell are set forth, claims 6, 7 and 8 are included. 271 F.Supp. at 423.

The Court of Appeals for the Eighth Circuit affirmed,

saying:

"We have examined the record and find that all claims must be denied, lacking nonobviousness as a matter of law for essentially the same reasons set forth by the court below." 402 F.2d at 126.

The withdrawal of an infringement charge does not deprive a court of jurisdiction to try validity. A similar situation was considered in <u>International Minerals & Chemicals</u> <u>Corporation</u> v. <u>Golding-Keene Company</u>, 164 F.Supp. 101 (DC WD NY 1958). Here, defendant had charged plaintiff with infringement whereupon plaintiff brought suit for declaratory judgment of patent invalidity. Defendant moved to dismiss on the ground that it had repudiated and withdrawn the infringement charge. The court held:

> "There is substantial authority for the proposition that once the validity of a patent has been put in issue along with the question of infringement, it is the better practice to determine the validity of the patent even though the charge of infringement is subsequently withdrawn. [Citing cases.] To the same effect, see E. J. Brooks Co. v. Stoffel Seals Corp., D.C.S.D.N.Y., 160 F.Supp. 581, at page 593, in which Judge Dawson observed, in language singularly appropriate in the instant case, 'Defendant cannot create a situation of actual controversy which gives the Court jurisdiction under the Declaratory Judgment Act and then, after the commencement of suit, come into Court and seek to avoid the jurisdiction of the Court by belated concessions that there was no infringement." 164 F.Supp. 101 at 102.

See also <u>Nelmor Corporation</u> v. <u>Jervis Corporation</u>, 229 F.Supp. 864 (DC ED Mich. 1964), where the entire patent was held invalid despite the fact that most of the proofs at trial were concerned with only two claims, the Court said:

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"It is thus clear from the pleadings that the validity of the entire patent was put in issue. This court could not rule only upon the validity of claims 2 and 20, but under the law was obliged to rule upon all the claims of the patent. [Citing cases.]" 229 F. Supp. at 871.

The question presented here is comparable to that faced by a court where it first determines that there is no infringement. It is common in such case to make a determination regarding validity. The reason for this is aptly stated in the <u>B & S Screw Products Co</u>. v. <u>Cleveland Stamping Co</u>., 233 F.Supp. 845 (DC ND Ohio 1964):

> "We proceed to the question of validity, even though we have absolved the defendants of any culpable infringement, for two reasons. We are mindful, first, of the public interest; it is important to the public generally that an invalid patent 'should not remain in the art as a scarecrow.' Addressograph-Multigraph Corp. v. Cooper, 156 F.2d 483 (2nd Cir. 1946). This pursuit of the public interest authorizes consideration of the patent even though we have already determined that the patent has not been infringed by the accused blocks of defendants." 233 F.Supp. at 850.

Judge Stephenson's decision, with the comment regarding claims 6, 7 and 8 of Isbell was before the Supreme Court. If this fact were sufficient to bar the estoppel defense, the Supreme Court would not have remanded. Plaintiff's argument is contrary to the law of the case established by the Supreme Court.

Plaintiff's other arguments were answered in defendant's prior memorandum. However, the Court's attention

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is respectfully directed to a decision published in the United States Patent Quarterly Advance Sheet for July 26, 1971, Monsanto Company v. Dawson Chemical Company et al, 170 USPQ 199, CA 5, June 8, 1971, copy attached. In this case, a patent of Monsanto was first held invalid in Pennsylvania, Monsanto Company v. Rohm & Haas Company, 312 F.Supp. 778 (ED Penn., February 17, 1970). Subsequently the patent was held valid, Monsanto Company v. Dawson Chemical Company, 312 F.Supp. 452 (SD Texas, April 14, 1970). The latter decision was appealed to the Court of Appeals for the Fifth Circuit and the appeal had been argued when the decision of the Supreme Court modifying Triplett v. Lowell was The Court of Appeals for the Fifth Circuit thereupon announced. remanded the case to the trial court to permit Dawson Chemical Company to amend its pleadings to assert a plea of estoppel and Monsanto Company to show the reasons, if any, why estoppel should not be allowed. As pointed out in defendant's previous memorandum, the happenstance that trials and appeals occur in periods of time that overlap does not provide a basis for avoiding the estoppel.

Plaintiff's motion for judgment should be denied.

July <u>29</u>, 1971.

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