

10-13-1999

PTO-1595



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2 SHEET U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying parties ROTARY TECHNOLOGIES CORPORATION Additional names of conveying parties attached? No	2. Name and address of receiving parties: Name: Lamb Technicon Machining Systems, a Division of UNOVA Industrial Automation Systems, Inc.
3. Nature of conveyance: Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: License Agreement Execution Date: February 9, 1998	Street Address: 5663 E. Nine Mile Road City: Warren State MI Zip Code 48091
4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: A. Patent Application No(s). 09/035,182 PCT/US99/04867 B. Patent No(s). Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
5. Name and address of party to whom correspondence concerning document should be mailed: Name: REISING, ETHINGTON, BARNES, KISSELLE, LEARMAN & McCULLOCH, P.C. Mailing Address: P. O. Box 4390 City: Troy State: MI ZIP: 48099-4390	6. Total number of applications and patents involved: 2 7. Total fee (37 CFR 3.41) \$80.00 <input checked="" type="checkbox"/> Enclosed \$80.00 (recording fee) <input type="checkbox"/> Authorized to be charged to deposit account 8. Deposit Account Number: 50-0852 (Attach duplicate copy of this page if paying by deposit account)

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9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. <div style="display: flex; justify-content: space-between;"> <div data-bbox="186 1533 454 1585"> <u>Steven L. Permut</u> Name of Person Signing </div> <div data-bbox="535 1428 958 1585"> Signature </div> <div data-bbox="1088 1522 1331 1585"> <u>October 4, 1999</u> Date </div> </div>		
Total number of pages including cover sheet, attachments, and document: 4		

Mail documents to be recorded with required cover sheet information to:
Assistant Commissioner for Patents, Box Assignments
Washington, D.C. 20231

PATENT
REEL: 010294 FRAME: 0460

Lamb Technicon
Machining Systems

A **UNOVA** Company

VIA FAX (310) 631-6006

February 6, 1998

506.1 E. Nine Mile Road
Warren, Michigan 48091-2601
810 497.6000 tel
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Mr. Donald A. Norberg
President
Rotary Technologies Corporation
2979 Pacific Commerce Drive
Rancho Dominguez, California 90221

Dear Mr. Norberg:

Rotary Technologies and Lamb Technicon have worked together to design and engineer a boring tool with rotary cutting inserts. Rotary is currently building a tool using that design which will be demonstrated and tested at a customer's plant on March 9, 1998.

Rotary and Lamb are both aware of the need to have a patent application directed to the boring tool on file in the United States Patent office before March 9, 1998, so that international patent filing rights will be preserved. Rotary has agreed to have the patent application prepared at its end, and Lamb is preparing some final material for inclusion in the application.

Lamb sees the need to have an agreement between our companies which will define the rights of both parties to the boring tool, and a comprehensive agreement is currently being drafted at our end. Before that agreement can be finalized and executed, however, we need to have a document which summarizes our progress to this point and provides an indication of our relationship in the future.

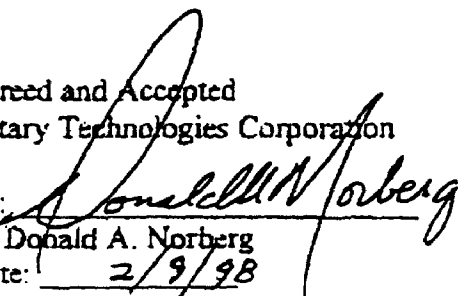
We believe that your memorandum of January 12, 1998 to Phil Szuba summarizes the relationship between Rotary and Lamb. We would add that Lamb's rights to sell the boring tool under any resulting license or marketing agreement will be worldwide and royalty free to those markets and customers which we choose to serve. The markets and customers not served by Lamb will be open to Rotary.

If you are in agreement with this summary, please sign and date this letter in the space provided and return the executed to letter to us.

Very truly yours,


Roger W. Cope
Vice President - Business Development

Agreed and Accepted
Rotary Technologies Corporation

By: 
Donald A. Norberg
Date: 2/9/98

To: Phil Szuba
UNOVA Industrial Automation Systems
January 12, 1998

From: Don Norberg

cc: Roger Cope

Subject: Relationship between Unova and Rotary Technologies

Our understanding differs from the outline by Brian Ribando in his memo of 12/18/97.

1. Rotary Technologies Corporation ("Rotary") currently manufactures and sells rotary milling cutters including rotary cartridges and cutting inserts under a patent license from Briese. Rotary has concepts, but not workable designs, for rotary boring tools utilizing the patented rotating cartridges or variations thereof and/or patented "frustum" inserts.
2. Rotary was approached by General Motors to determine if Rotary's patented rotating cartridges would work in a boring tool configuration. We conducted initial tests with GM which were promising. I then approached Roger Cope to ask if Unova (Lamb Technicon at the time) would be interested in assisting us engineer and design this boring tool, using Rotary's current product knowledge as a starting point. Mr. Cope stated that Lamb was always interested in putting its best foot forward with General Motors. He indicated a willingness to proceed. We then put our contact at GM in contact with you. Working together, we secured the purchase order from GM (made out to Unova). Rotary has invested millions of dollars in development of rotary cutting technology, therefore, as you can imagine, we will not simply give away this proprietary technology.
3. Rotary will apply for a patent on the boring tool to enable us to own this extension of our technology. Unova will provide complete cooperation with this patent application. The profits from the initial purchase order (for essentially three prototype tools) will be split equally between Unova and Rotary. Subsequent purchase orders for additional boring tools from GM, if any, will come to Rotary. Unova will be given complete credit and total recognition for its engineering efforts and innovations in design technology incorporated into this product.
4. As additional compensation for its efforts in the development of the Rotary boring tool, Rotary will grant Unova an exclusive license or sub-license to sell the boring tool into those market segments where Unova will actively and aggressively promote this product. It is contemplated that Unova's exclusive license will be in some form of a Right of First Refusal, wherein Rotary has the right to sell, or to license others to sell, to market segments and customers that Unova chooses not to serve. Unova will be provided appropriate discounts on products (boring tools, cartridges, and inserts) it sells under this agreement. No other customer of Rotary will receive purchase discounts equal to or greater than those given Unova.

MEMORANDUM

TO: Phil Szuba
FROM: Brian I. Ribando
SUBJECT: Rotary License Agreement
DATE: December 18, 1997
COPIES:

Please review the outline below of the relationship in the proposed License Agreement between Lamb and Rotary Technologies and let me know if it is correct.

1. Rotary currently manufactures and sells rotary cutting inserts for milling tools under a patent license from Briese. Rotary does not have a workable design for a rotary cutting insert for boring tools.
2. Lamb will design, test and engineer a boring tool having rotary cutting inserts. The rotary cutting inserts for the boring tool will be different than those in the milling tools. GM has or will give Lamb a PO for a boring tool with a rotary cutting insert. Lamb will retain proprietary rights to the boring tool with the rotary cutting insert under the GM PO.
3. Lamb will obtain a patent on the boring tool it designs so that it can sell it exclusively. Lamb will purchase the inserts it needs for the boring tool from Rotary. Purchasing the inserts from Rotary who is licensed by Briese will obviate the need for Lamb to obtain a license or sublicense under the Briese patent. Rotary will make a profit on the inserts it sells for use in boring tools which Lamb sells. Nevertheless, Rotary has the right to sublicense its rights under the Briese patent, so Lamb has the option to obtain a sublicense from Rotary so that it is not tied to Rotary for its supply of inserts.
4. Lamb will grant Rotary a license to sell the boring tool which it designs so that Rotary can sell the boring tool to markets which Lamb does not address. Lamb will collect royalties on sales of boring tools by Rotary.