



IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

P.D.S. PRODUCT DEVELOPMENT  
CORP., et al.,

Plaintiffs,

v.

CHESAPEAKE FIBER PACKAGING  
CORPORATION,

Defendant.

CIVIL ACTION  
No. H-93-170

JAN 21 1995

\* \* \* \* \*

FINAL CONSENT JUDGMENT ORDER

On this 16 day of January, 1995, Plaintiffs and Counterclaim-Defendants, P.D.S. Product Development Corp. ("P.D.S.") and Sebros Packaging Corp. ("Sebros"), and Defendant and Counterclaim-Plaintiff, Chesapeake Fiber Packaging Corp. ("Chesapeake"), having appeared and agreed to the entry of this Final Consent Judgment Order, it is by the United States District Court for the District of Maryland

ORDERED:

1. That Defendant and Counterclaim-Plaintiff Chesapeake is hereby declared the sole and exclusive owner of United States Patent No. 5,139,184 (the "'184 Patent") and that all right, title and interest to the said patent be and hereby is transferred to Chesapeake in accordance with the terms of the 1988 Agreement between Sebros and Majestic Industries, Inc. and the Assignment between P.D.S. and Chesapeake dated January 16, 1995, a copy of which is appended to this Final Consent Judgment Order;

10-28-2003 03:06pm From-ASTRACHAN GUNST THOMAS AHN

T-220 P.003/007 F-180

2. That, should Chesapeake elect to exploit the '184 Patent through manufacture or license or to derive revenue from the '184 Patent at any time during its remaining term, Chesapeake shall pay to Sebros the actual documented costs incurred by Sebros of prosecuting and obtaining the '184 Patent, which costs Sebros represents amount to Five Thousand Eight Hundred Forty One Dollars (\$5,841.00);

3. That Sebros and P.D.S. shall immediately cease and refrain from all licensing and other activities relating to the manufacture, use or sale of shoulder guard units falling within any valid claim of the '184 Patent;

4. That the Complaint filed herein by P.D.S. and Sebros be and hereby is dismissed with prejudice;

5. That, in reliance upon the representations of Sebros that (1) the quantity and dollar value of shoulder guard units manufactured and sold by it under the '184 Patent have amounted to no more than 410,800 units representing Twenty-Four Thousand Eight Hundred Forty Dollars (\$24,840) in sales, and that (2) a quantity of approximately 471,500 such shoulder guard units formerly believed to have been manufactured by Sebros was not, in fact, manufactured or sold by Sebros, Chesapeake has agreed to dismiss its Counterclaims with prejudice and, accordingly, said Counterclaims are hereby dismissed with prejudice, except that said dismissal is without prejudice as to any claim which Chesapeake may deem appropriate to assert against Sebros and/or any other party if Sebros did, notwithstanding the representations contained herein, in fact

manufacture or sell any portion of the said 471,500 shoulder guard units;

6. That, should Chesapeake deem it appropriate to pursue a claim that Sebros Packaging Corp. did, in fact, manufacture or sell any portion of the said 471,500 shoulder guard units or to pursue a claim against Sebros and/or any other party with regard to any portion of the said 471,500 shoulder guard units, said action by Chesapeake will not obligate Chesapeake to reimburse Sebros for its patent prosecution expenses.

JANUARY 23, 1995

*Alexander Hanvey*  
UNITED STATES DISTRICT COURT JUDGE

AGREED TO:

P.D.S. PRODUCT DEVELOPMENT CORP.

By: *[Signature]*  
Joel Seitz, President

Dated: 01/16/95

SEBROS PACKAGING CORP.

By: *[Signature]*  
Paul Kiselik, President

Dated: 01/18/95

[SIGNATURES CONTINUED]

[SIGNATURES CONTINUED]

CHESAPEAKE FIBER PACKAGING CORP.

By: *George Koehlert*  
George Koehlert,  
Chief Operating Officer

Dated: *Jan 19, 1995*

10-28-2003 09:08pm From-ASTRACHAN GUNST THOMAS AHN

T-220 P.006/007 F-100

ASSIGNMENT

WHEREAS P.D.S. PRODUCT DEVELOPMENT CORP. (hereinafter "ASSIGNOR") a corporation organized and existing under the laws of the State of New Jersey, is the owner, by assignment, of United States Patent No. 5,139,184 ("the '184 patent"), entitled "Garment Hanger Shoulder Guard" which issued on August 18, 1992 to Joel N. Seitz; and

WHEREAS, CHESAPEAKE FIBER PACKAGING CORP. (hereinafter "ASSIGNEE"), a corporation organized and existing under the laws of the State of Maryland, is desirous of obtaining the entire right, title and interest in, to and under the '184 patent:

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00), and other good and valuable consideration, the receipt of which is hereby acknowledged, P.D.S. PRODUCT DEVELOPMENT CORP., the said ASSIGNOR, has sold, assigned, transferred and set over and by these presents does hereby sell, assign, transfer and set over, unto CHESAPEAKE FIBER PACKAGING CORP., the said ASSIGNEE, its successors, legal representatives and assigns, the entire right, title and interest in, to and under the '184 patent, and all divisions, renewals and continuations thereof, and all Patents of the United States which may be granted thereon and all reissues and extensions hereof; and all applications for industrial property protection, including, without limitation, all applications for patents, utility models, and designs which may hereafter be filed for said invention in any country or countries foreign to the United States, together with the right to file such applications and the right to claim for the same the priority rights derived from said United States application under the Patent Laws of the United States, the International Convention for the Protection of Industrial Property, or any other international agreement or the domestic laws of the country in which any such application is filed, as may be applicable, and all forms of industrial property protection, including, without limitation, patents, utility models, inventors' certificates and designs which may be granted for said invention in any country or countries foreign to the United States and all extensions, renewals and reissues thereof; and

P.D.S. PRODUCT DEVELOPMENT CORP. HEREBY authorizes and requests the Commissioner of Patents and Trademarks of the United States, and any Official of any country or countries foreign to the United States whose duty it is to issue patents or other evidence or forms of industrial property protection on applications as aforesaid, to issue the same to the said ASSIGNEE, its successors, legal representatives and assigns, in accordance with the terms of this instrument; and

P.D.S. PRODUCT DEVELOPMENT CORP. HEREBY covenants and agrees that it has full right to convey the entire interest herein assigned, and that it has not executed, and will not execute, any agreement in conflict herewith; and

P.D.S. PRODUCT DEVELOPMENT CORP. HEREBY further covenants and agrees that it shall have executed all papers that the said ASSIGNEE may deem necessary or desirable from time to time to enable the said ASSIGNEE, or its agent(s) or nominee(s) or assignee(s), to file and prosecute applications for Letters Patent in all countries in which the said ASSIGNEE shall elect to secure patent protection for said invention, and shall also have executed all papers that may be necessary or desirable to vest in the said ASSIGNEE or its nominee(s), assign(s) or licensee(s) the entire right, title and interest in, to and under the said invention and the Letters Patent that have issued or may issue thereon in all countries in which the said ASSIGNEE elects to secure patent protection.

P.D.S. PRODUCT DEVELOPMENT CORP.

Date: 01/16/95

By: [Signature]  
President

IN TESTIMONY WHEREOF P.D.S. PRODUCT DEVELOPMENT CORP. hereunto sets its hand and seal this 16 day of January, 1995.

P.D.S. PRODUCT DEVELOPMENT CORP.

[Signature]  
President

Before me a notary public in and for said State, on this 16<sup>th</sup> day of January, 1995, personally appeared to me JOEL DEITZ known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its PRESIDENT, and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Witness my hand and official seal the last year above written.

[Signature]  
Notary Public

My Commission Expires:

ELAINE G. SCHADE  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires Sept PATENT