

04-21-2004

Our Ref: 29-13/JLW

RE



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1730 U.S. PTO
10/825291
041604

The Honorable Commissioner
of Patents and Trademarks

Dear Sir:

Please record the attached original documents or copy thereof.

4-16-04

1. Name of conveying party(ies): James Reavell		2. Name and address of receiving party(ies): Name: SCHOOL BUS PARTS CO. OF CANADA, INC. Internal Address: Street Address: 673 County Road 38 Campbellford, Ontario, Canada Additional names(s) and addresses attached <input type="checkbox"/> yes <input checked="" type="checkbox"/> no								
Additional names(s) of conveying party attached <input type="checkbox"/> yes <input checked="" type="checkbox"/> no 3. Nature of Conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: Affidavit of James Reavell Execution Date: April 13, 2004										
4. Application number(s) or patent number(s): 10825291 If this document is being filed together with a new application, the execution date of the application is: <table border="1"><tr><td>A. Patent Application No.(s)</td><td>B. Patent No.(s) 5,406,250</td></tr></table> Additional numbers attached? <input type="checkbox"/> yes <input checked="" type="checkbox"/> no				A. Patent Application No.(s)	B. Patent No.(s) 5,406,250					
A. Patent Application No.(s)	B. Patent No.(s) 5,406,250									
5. Name and address of party to whom correspondence concerning documents should be mailed: JENNA L. WILSON 20 Queen St. W., Suite 3202, Box 102 Toronto, Ontario Canada M5H 3R3		6. Total number of applications and patents involved: 1 7. Total fee (37 CFR 3.41): \$ 40.00 <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account <input checked="" type="checkbox"/> Authorized to charge any deficiency or credit any overpayment to deposit account 8. Deposit account number: 500663. (Attach duplicate copy of this page if paying by deposit account)								
DO NOT USE THIS SPACE										
9. Statement and signature. <i>To the best of my knowledge and belief, the foregoing is true and correct and any attached copy is a true copy of the original document.</i> <table border="0"><tr><td><u>Jenna L. Wilson</u> Name of Person Signing</td><td> Signature</td><td><u>April 15, 2004</u> Date</td></tr></table> <table border="0"><tr><td>04/19/2004 FFANAEIA 00000016 10825291</td><td>05 FC:8021</td><td>40.00 00</td><td>Total number of pages including cover sheet: 14</td></tr></table>				<u>Jenna L. Wilson</u> Name of Person Signing	 Signature	<u>April 15, 2004</u> Date	04/19/2004 FFANAEIA 00000016 10825291	05 FC:8021	40.00 00	Total number of pages including cover sheet: 14
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

RE : United States Patent No. 5,406,250

Title: APPARATUS FOR OPERATING A SCHOOL BUS SAFETY DEVICE

Applicants: REAVELL, James and HEATH, Raymond

Filed: January 28, 1993

Issued: April 11, 1995

**AFFIDAVIT OF JAMES REAVELL
(affirmed April 13, 2004)**

I, James Reavell, of the Town of Campbellford, Ontario, **AFFIRM THAT:**

1. I am the President at School Bus Parts Co. of Canada, Inc. ("School Bus Parts") a company based in Campbellford, Ontario, and having a principal place of business at 673 County Road 38, Campbellford, Ontario, Canada. I am also the first co-inventor named in U.S. Patent No. 5,406,250 (the "250 Patent"), and as such have knowledge of the facts set out below.

2. I make this affidavit to set out the facts surrounding Mr. Raymond Heath's involvement in the invention described and claimed in the 250 Patent, and his relationship with School Bus Parts. Mr. Heath is named as the second co-inventor of the 250 Patent.

3. The business of School Bus Parts is the development and manufacture of control devices for school bus safety devices, such as stop arms, crossing gates, flashers, and child safety checks. To the best of my recollection, I first met Mr. Heath between 1984 and 1986 when he came to my office at School Bus Parts in Campbellford. He was retired, and looking for other work. I recall that I did not have any employment to offer him; however, at the time, a model of one of my electric stop arms for school buses was in my office. Mr. Heath noticed this and told me that he

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had some knowledge of electronics. I decided to retain him as a part-time consultant to work on the circuitry in some of my safety devices.

4. Mr. Heath and I agreed on an hourly rate of \$20.00 for the work I assigned him. He understood that I would only call on him as necessary, when I found that I had a task suited to his abilities. He also understood that any work he did for School Bus Parts would be owned by School Bus Parts.

5. This arrangement worked well. For example, in 1986 and 1987, I asked Mr. Heath to work on two projects involving the electrical device used to operate an eight light system (the array of lights at the top of a school bus at the front and rear, which show amber when the bus is coming to a stop, and red when the bus is stopped) for use by school bus operators in Alberta and Nova Scotia, respectively. Mr. Heath received the specifications from either me or the customers, and designed the necessary circuitry. He billed School Bus Parts for each hour he worked on the projects. Mr. Heath's invoices were typically handwritten notes indicating the number of hours he had worked, and the total payable. School Bus Parts paid him the specified amount by cheque. After Mr. Heath was paid for his time, he showed no further interest in the projects, although he would assist a customer who was having difficulty with installation or troubleshooting (and he billed School Bus Parts for all the customer support he provided).

6. In 1989, I was developing an electronic safety device with a retractable arm for use on school buses (for example, the arm that extends a stop sign when the bus is loading or unloading passengers). I designed the mechanical portion of the device, and I instructed Mr. Heath to design an open-close circuit to my specifications. He proposed a commutator system with a rotating drive wheel and neutral contact points to sense the location of the arm. School Bus Parts proceeded to file a patent application for this system. Mr. Heath executed an assignment of his interest in the invention, if any, in favour of School Bus Parts and signed the declaration and power of attorney necessary for filing a patent application in the United States. This assignment was recorded in the United States Patent and Trademark Office on Reel

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5082, Frame 0477, and a copy of this assignment is marked as Exhibit "A" to my affidavit. This patent application issued as U.S. Patent No. 4,916,372. Mr. Heath merely expected to be paid his usual consulting fee, which he was. At no time did he ever indicate that he thought he should be entitled to any recognition for his circuit, or that any of the work he did for School Bus Parts was not owned by School Bus Parts.

7. In 1990, I asked Mr. Heath to redesign the commutator circuit, described above. I gave him contact elements that we used in flasher devices. With these elements, Mr. Heath was able to remove the standard switch and use a ground contact element in conjunction with a relay to sense the position of the stop arm. Mr. Heath was paid for his time. School Bus Parts filed a patent application for this new stop arm system in the United States and as before, Mr. Heath never indicated that he considered that he had a proprietary interest in the system. He executed all the documents necessary for School Bus Parts to file a patent application in the United States, including an assignment that confirmed that School Bus Parts was the owner of the invention. This assignment was recorded in the United States Patent and Trademark Office on Reel 5427, Frames 0592 to Frames 0597 and a copy is marked as Exhibit "B" to my affidavit. This patent issued as U.S. Patent No. 5,036,307. Both this patent, and U.S. Patent No. 4,916,372, issued to the assignee, School Bus Parts.

8. Around 1993, I decided to redesign our circuits to avoid the use of two limit switches to detect the position of the retractable arm on a safety device. I redesigned the travel stroke of our stop arm device, and then I called Mr. Heath to my office and described to him what I wanted: a circuit that did not use limit switches to control the extension and retraction of the arm. I suggested using a resettable fuse, or a thermal coupler, to shut off the power to the drive system when it reached the open limit. Mr. Heath and I tried several electrical components, and ultimately settled on a resistor. The resistor sensed the physical load and provided a stall whenever it reached its intended limit or any obstacle in its path. At no time did he ever suggest that he retained any interest or ownership in his work in association with this project. As had been done before with other devices developed by School Bus Parts, the company filed a patent application for this system in 1993, naming myself and Mr. Heath as co-

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inventors. This is the application that was ultimately issued as U.S. Patent No. 5,406,250 in 1995. However, Mr. Heath passed away towards the end of 1994, before he could sign any documents relating to the patent application. As usual, Mr. Heath had invoiced School Bus Parts for his time spent on this project, and he was paid.

9. In the meantime, School Bus Parts had been faced with patent infringement allegations in the United States dating back to 1988 made by a competitor, Specialty Manufacturing Co. ("SMC"). Therefore, School Bus Parts, through its associated manufacturing company, B.M.R. Manufacturing Inc., decided to bring an action in United States District Court, Western District of North Carolina, to obtain a declaration that our new system as described in the 250 Patent did not infringe SMC's rights. I recall that the court dismissed our action because SMC managed to show that they were not a threat to School Bus Parts. SMC then filed a patent infringement suit in the U.S. against B.M.R. Manufacturing Inc. over this new system. This case was ultimately settled, but School Bus Parts had to spend tens of thousands of dollars on legal fees defending its rights in the United States, including the cost of obtaining the declaratory judgment.

10. When required, Mr. Heath attended depositions and provided other assistance in connection with the U.S. lawsuits since they began in 1990, and up until his death in 1994; however, he invoiced School Bus Parts for all his time spent on the legal proceedings. He never expressed any personal interest in the patent that was the subject of the declaratory judgment, or ever suggested that he had any stake in the proceedings beyond being paid his hourly rate. School Bus Parts bore all the costs of these proceedings.

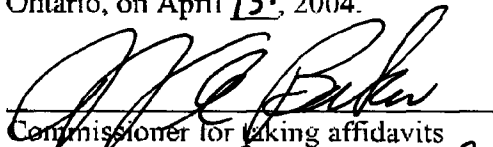
11. In summary, Mr. Heath was hired by me to carry out specific tasks that I assigned him to do. His job, as he and I understood it, was to design circuits to my specifications for use in school bus safety devices. This is exactly what he did—no more, no less. Mr. Heath never provided me with any device or circuit design that I had not asked him to design. He was paid for his design services in full, and he never suggested that retained any ownership in anything he designed for School Bus Parts. I

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had always taken the position that School Bus Parts owned everything that Mr. Heath had designed for the company, just as anything I had designed for School Bus Parts was owned by the company. Mr. Heath never indicated that he held a contrary opinion.

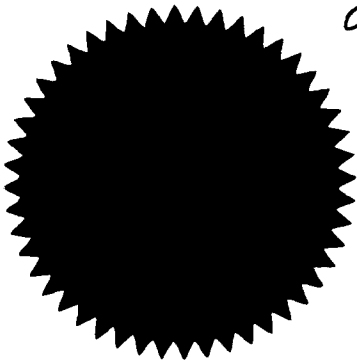
12. Even when presented with assignment documents that my lawyers wanted him to sign, Mr. Heath never told me that he thought he had retained ownership in anything that he had designed for School Bus Parts, and for which School Bus Parts had paid him. He was always willing to execute documents to enable School Bus Parts to pursue patent protection. He never indicated that he thought he should be entitled to royalties or a share in any patent. I feel certain that had Mr. Heath lived, he would have signed a confirmatory assignment of his rights to the invention of the 250 Patent in favour of School Bus Parts, just as he had for the inventions claimed in U.S. Patents Nos. 4,916,372 and 5,036,307.

AFFIRMED BEFORE ME at the Town
of Campbellford, in the Province of
Ontario, on April 13th, 2004.


Commissioner for taking affidavits

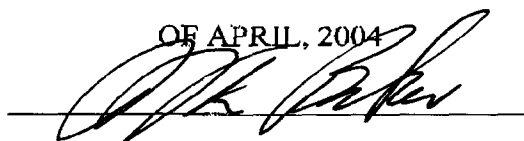
*Notary Public in & for the Province of
Ontario Canada. My Commission is for Life*


JAMES REAVELL



THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF JAMES REAVELL
AFFIRMED BEFORE ME THIS 13 DAY

OF APRIL, 2004

A handwritten signature in black ink, appearing to read "D. H. Baker", is written over a horizontal line.

A Commissioner, etc.

Exhibit B

Joint

Assignment

FOR VALUE RECEIVED, WE, JAMES REAVELL and RAYMOND HEATH, citizens of Canada and residents of Campbellford, Ontario, Canada,

hereby sell, assign and transfer unto SCHOOL BUS PARTS CO. OF CANADA, INC., an Ontario corporation, having its principal place of business at River Road, Campbellford, Ontario K0L 1L0, Canada,

as assignee, and its successors, assigns and legal representatives, the entire right, title and interest, for all countries in and to certain inventions relating to

CONTROL SYSTEM FOR SCHOOL BUS SAFETY DEVICE

described in an application for Letters Patent of the United States, executed by us on the 8 day of March, 1989, and all the rights and privileges under any and all Letters Patent that may be granted therefor.

We request that any and all patents for said inventions be issued to said assignee, its successors, assigns and legal representatives, or to such nominees as it may designate.

We agree that, when requested, we will, without charge to said assignee but at its expense, sign all papers, take all rightful oaths, and do all acts which may be necessary, desirable or convenient for securing and maintaining patents for said inventions in any and all countries and for vesting title thereto in said assignee, its successors, assigns and legal representatives or nominees.

We authorize and empower the said assignee, its successors, assigns and legal representatives or nominees, to invoke and claim for any application for patent or other form of protection for said inventions filed by it or them, the benefit of the right of priority provided by the International Convention for the Protection of Industrial Property, as amended, or by any convention which may henceforth be substituted for it, and to invoke and claim such right of priority without further written or oral authorization from us.

We hereby consent that a copy of this assignment shall be deemed a full legal and formal equivalent of any assignment, consent to file or like document which may be required in any country for any purpose and more particularly in proof of the right of the said assignee or nominee to claim the aforesaid benefit of the right of priority provided by the International Convention for the Protection of Industrial Property, as amended, or by any convention which may henceforth be substituted for it.

We covenant with said assignee, its successors, assigns and legal representatives, that the rights and property herein conveyed are free and clear of any encumbrance, and that we have full right to convey the same as herein expressed.

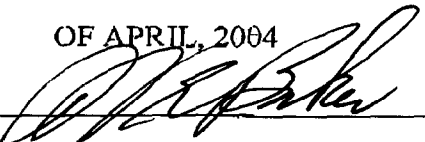
Signed at Campbellford
this 8th day of March, 1989

RECORDED
PATENT & TRADEMARK OFFICE

MAY - 1 89

Donald J. Giff
COMMISSIONER OF PATENTS
AND TRADEMARK OFFICE

James Reavell (L.S.)
JAMES REAVELL
Raymond Heath (L.S.)
RAYMOND HEATH

THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF JAMES REAVELL
AFFIRMED BEFORE ME THIS 13TH DAY
OF APRIL, 2004

A Commissioner, etc.

ASSIGNMENT OF THE INVENTION

WHEREAS, we, JAMES REAVELL and RAYMOND HEATH, both residing in the Town of Campellford, Province of Ontario, Canada, have made a certain new and useful invention in a WEATHER RESISTANT CONTROL SYSTEM FOR SCHOOL BUS SAFETY DEVICE, and are about to apply for Letters Patent of the United States based thereon;

WHEREAS, we, JAMES REAVELL and RAYMOND HEATH are the President, and a consultant, respectively, of SCHOOL BUS PARTS CO. OF CANADA, INC.;

WHEREAS SCHOOL BUS PARTS CO. OF CANADA, INC., a corporation organized and existing under the laws of Canada and having an office and place of business at River Road RR #2, Campellford, Ontario K0L 1L0, Canada, is desirous of acquiring the entire right, title and interest in and to the invention and all improvements thereon which may be made, conceived or acquired by us during the course of our association with SCHOOL BUS PARTS CO. OF CANADA, INC., and for one year thereafter, in and throughout the United States, its territories and all countries foreign thereto, and in and to said application for Letters Patent and in and to any and all Letters Patent of the United States and all countries foreign thereto which have been granted or may be granted on said invention or any part thereof, or any improvements thereon.

NOW, THEREFORE, IN CONSIDERATION of the sum of One Dollar (\$1.00), and other good and valuable consideration, the

REEL 5427 FRAME 93

receipt of which is hereby acknowledged, we, JAMES REAVELL AND RAYMOND HEATH, by these presents do sell, assign and transfer unto the said SCHOOL BUS PARTS CO. OF CANADA, INC. our entire right, title and interest in and throughout the United States, its territories and all countries foreign thereto in and to said invention and any improvements thereon which may be made, conceived or acquired by us during the course of our association with the said SCHOOL BUS PARTS CO. OF CANADA, INC., and for one year thereafter, in and to said application for Letters Patent and any and all Letters Patent and extensions thereof of the United States and countries foreign thereto which have been or may be granted on said invention or any part thereof, or any improvements thereon or on said application, or any divisional, continuing, renewal, reissue, or other application and all international priority rights associated therewith, based in whole or in part thereon, or based upon said invention, or any improvements thereon;

TO BE HELD AND ENJOYED by the said SCHOOL BUS PARTS CO. OF CANADA, INC. and its legal representatives and assigns to the full ends of the terms for which said Letters Patent, or any of them, have been granted or may be granted as fully and entirely as the same would have been held and enjoyed by us had no sale and assignment of said interest been made; and we do hereby authorize and request the Commissioner of Patents and Trademarks to issue any and all Letters Patent which may be granted upon the said application above referred to, or any of them, or upon said

invention or any part thereof, or upon any improvements thereon which may be made, conceived or acquired by us during the course of our association with the said SCHOOL BUS PARTS CO. OF CANADA, INC. and for one year thereafter, to said SCHOOL BUS PARTS CO. OF CANADA, INC., and we hereby agree for ourselves, our heirs, executors and administrators, to execute without further consideration, any further legal documents and any further assignments and any releases, reissues, renewals or other applications for Letters Patent that may be deemed necessary by the Assignee herein named, fully to secure to the said Assignee its interest as aforesaid in and to said invention or any part thereof or any improvements thereon, and in and to said several Letters Patent, or any of them.

We do hereby covenant for ourselves and our legal representatives, and agree with SCHOOL BUS PARTS CO. OF CANADA, INC., and its legal representatives, that we have granted no license to make or sell the said invention, that prior to the execution of this deed our right, title and interest in the said invention has not been encumbered, that we then had good right and title in and to the invention and that we have not executed and will not execute any instrument in conflict therewith.

We hereby authorize Alan H. Bernstein, Esq., or Stanley H. Cohen, Esq., or Manny D. Pokotilow, Esq., or Barry A. Stein, Esq., or Martin L. Faigus, Esq., or Max Goldman, Esq. or Eric S. Marzluf, Esq., to insert in the Certificate provided for that

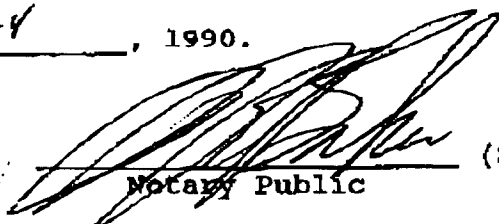
purpose the serial number and filing date of the application about to be filed.

IN WITNESS WHEREOF, I, JAMES REAVELL, have hereunto affixed my hand and seal this 22 day of May, 1990.


James Reavell (SEAL)

CITY OF CAMPBELLFORD :
: SS:
PROVINCE OF ONTARIO :

Before me personally appeared said JAMES REAVELL and acknowledged and foregoing instrument to be his free act and deed this 22d day of MAY, 1990.

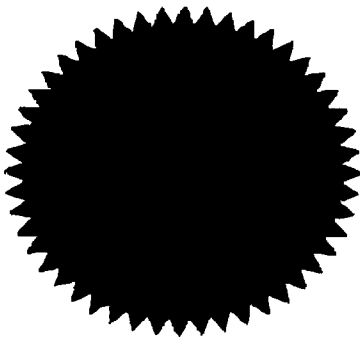

Notary Public (SEAL)
My Commission ~~expires~~
is for Life

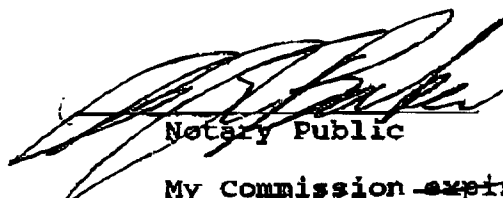
IN WITNESS WHEREOF, I, RAYMOND HEATH, have hereunto affixed my hand and seal this 22d day of MAY, 1990.


Raymond Heath (SEAL)

CITY OF CAMPBELLFORD :
: SS:
PROVINCE OF ONTARIO :

Before me personally appeared said RAYMOND HEATH and acknowledged and foregoing instrument to be his free act and deed this 22 day of MAY, 1990.



 (SEAL)
Notary Public
My Commission ~~expires:~~
is for Life

CERTIFICATE

This is to certify that the application above referred
to was filed in the United States Patent and Trademark Office on
the 13th day of Sept., 1990, and assigned Serial No. 533,319.

IN WITNESS WHEREOF, I hereunto affix my hand and seal
this ____ day of _____, 1990.

RECORDED
PATENT AND TRADEMARK
OFFICE

AUG 30 1990

RECEIVED
AUG 27 1990